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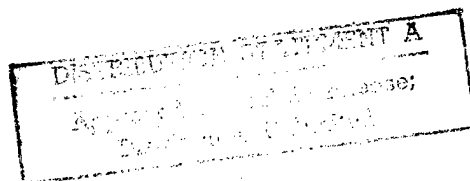
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20 June 1983

# China Report

ECONOMIC AFFAIRS

No. 353



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20 June 1983

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No. 353

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## ECONOMIC PLANNING

### ANHUI STRESSES SPEED OF ECONOMIC REFORM

OW191431 Hefei Anhui Provincial Service in Mandarin 1100 GMT 18 May 83

[Station commentary: "Quicken the Pace of Reform to Invigorate Anhui's Economy"]

[Excerpts] The province-wide industry and transport conference has come to a close. This was the first important province-wide conference since the new leading body of the provincial people's government took office. It was a mobilization conference for increasing economic results and reforming the economic management system. It will certainly have great bearing on our province's economic development.

This meeting has made a serious study of and careful arrangements for such matters as substituting profit delivery with taxation, reforming the commodity circulation system and the industrial management system at the country level, successfully carrying out readjustment in enterprise wages and reforming the enterprise wage system. The general guiding ideology is to quicken the pace of reform to invigorate Anhui's economy.

As our province has rich natural resources and excellent geographical conditions, we have great potential for development. However, at present our economic foundation, technical knowhow and financial capability are weak. Therefore, ours is a poor province with rich resources. To make Anhui economically prosperous and enable it to catch up with the development level of fraternal provinces, we must be firm in carrying out reforms and must quicken the pace of reform which is the fundamental way out for us.

Some leading comrades at present are still hesitant and take a wait-and-see attitude. This is wrong. The central leading comrades have repeatedly pointed out that things that have been verified as correct and beneficial must be done energetically. Substitution of profit delivery with taxation has yielded marked economic results after testing in selected places over the past few years. It is one of the things the central authorities have confirmed as correct and beneficial. We simply have to carry it out strictly, quicken our pace and obtain results as soon as possible. The central task in reforming urban industrial and commercial enterprises is to energetically carry out the substitution of profit delivery with taxation.

This is a matter of orientation and a major reform that state-run big and medium-sized enterprises must all undertake.

It is our hope that party and government leaderships at all levels and the more than 1 million workers and staff in our province will march forward with the impetus provided by this conference, quicken the pace of our reform and make new contributions to invigorate Anhui's economy.

CSO: 4006/555



## ECONOMIC PLANNING

### HAINAN LEADERS' MEETING ON BUILDING HAINAN

HK241408 Haikou Hainan Island Service in Mandarin 0330 GMT 24 May 83

[Summary] The Hainan district meeting of county CPC committee secretaries and county directors lasted 5 days and concluded on 22 May. "This meeting was held to implement the circular of the CPC Central Committee and the State Council on the approval of the minutes of discussion on speeding up the exploitation and the building of Hainan Island, which is the No. 11 document of the central authorities." Liang Lingguang, provincial CPC committee secretary and governor, who is inspecting work in the district, attended the meeting and delivered an "important" speech. (Lei Yu), district CPC committee secretary and district commissioner's office director, made a work report. (Zhang Yuehe), district CPC committee secretary, delivered the summing-up speech at the conclusion of the meeting.

The meeting examined and analyzed the situation in studying and implementing the No. 11 document of the central authorities at the previous stage. The meeting pointed out that Hainan Island has not started large-scale exploitation and building. The meeting also pointed out that we do not sufficiently understand the importance of the exploitation and building of Hainan Island and that we have not done our work vigorously. The meeting demanded that the following six tasks be done well:

"1. It is necessary to seriously study and correctly understand the spirit and essence of the document and unify our ideology and actions on the basis of the spirit of the No. 11 document." We must lay stress on speed. We must quickly carry out the exploitation and building of Hainan Island. In exploiting and building the island, we must bring the advantages of the subtropical zone and the vast sea area into play.

"2. We must formulate an overall plan for exploiting and building Hainan Island. In formulating the overall plan, we must take the strong and weak points into consideration and make up for the weak points with strong points. In the light of reality, we must take such measures which are suitable to local conditions, bring advantages into play, give play to the strong points and discard the weak points." The island can be divided into six areas: 1) Haikou area, where light industry, textile industry, electronic industry, foodstuff-processing work, leather, furniture, rubber products, and tourism can mainly develop; 2) Sanya area, where tourism, commerce, agricultural

production, livestock production, and aquatic production, foodstuff-processing work, and handicrafts can develop; 3) Yangpu port area, which must be built into a modern deepwater port and where several berths for 30,000-ton and 50,000-ton ships must be built and building material production, metallurgical industry, oil refining industry, and tropical crop production must develop; 4) Basuo port area, where building material production, mining, tropical crop production, and livestock production must develop; 5) Wenchang Qinglan area, where a wharf for 5,000-ton ships in Qinglan port must be built and tropical crop production must develop in Wenchang County; and 6) Tongza area, where education must develop, conditions for communications and transport must improve, and forestry, diversification, and tropical crop production, must vigorously develop. Of these six areas, Haikou, Sanya, and Yangpu areas must be first to be built well in 5 years.

3. This year, we must concentrate forces on starting to build or to make preparations for 10 key projects, which include the expansion of the Haikou, Basuo, and Qinglan ports, the building of the Yangpu deepwater port, posts and telecommunications facilities, including automatic telephone in Haikou city, and Haikou and Sanya hotels.

4. We must vigorously expand economic activities with foreign countries.

5. We must strictly observe discipline.

6. We must do well in structural reform.

The meeting demanded that all places step up industrial and agricultural production from June to December this year and strive to fulfill and overfulfill this year's plan for the national economy.

CSO: 4006/555

## AGGREGATE ECONOMIC DATA

### SHANGHAI MAYOR ON MUNICIPALITY'S DEVELOPMENT

HK280454 Beijing CHINA DAILY in English 28 May 83 SHANGHAI CONSTRUCTION SUPPLEMENT p 1

[Article by Shanghai Mayor Wang Daohan: "A New-Look City Striving for a Prosperous Future"]

[Text] Shanghai was liberated on 27 May 1949, 34 years ago today.

It was a city with a lopsided economy bearing all the characteristics of a colony or semi-colony; almost all the industry in the city--including the light and textile industries, which occupied a dominant 86.4 percent--had to depend on overseas imports for its principal equipment, parts and raw materials.

Over the past 34 years, Shanghai has undergone a fundamental change under the leadership of the Chinese Communist Party and through the efforts of its millions of citizens. Today, Shanghai has become a socialist city with well-developed industry, agriculture, science, technology, trade and finance. The entire city has assumed a completely new look.

The industry of Shanghai has been reorientated four times in the past three decades, resulting in the development of such key industries as metallurgy, petrochemistry, shipbuilding, automobiles, electronics and power generation. Consequently, it has become a comprehensive industrial center with about 8,000 large, medium and small enterprises forming an integrated, well-coordinated network.

#### Increased Assets

This is further reinforced by a powerful commercial network, comprising some 29,000 establishments. There are now 4.75 million employees working in the city's industrial, commercial and other departments. As a result of their efforts, the city's industrial assets increased eightfold to 21.6 billion yuan in 1982. The total industrial output that year reached 63.67 billion yuan--an increase 28 times over that of 1949 at an average rate of 10.7 percent each year.

Last year, Shanghai produced five million tons of steel, 1,000 times as much as 1949, and 22 billion kilowatt-hours of electricity, 22 times the output of 1949. Its machine industry has grown from repair shops to producers of such major items as 300 megawatt generators, large freight vessels, heavy equipment and precision tools.

Rapid growth in production was accompanied by equally fast development in domestic and foreign trade. In 1982, the city's total retail sales reached 9.73 billion yuan, an increase of 5.6 times over 1950. Its supply of industrial goods to other parts of the country increased 5.4 times in three decades, reaching 11.38 billion yuan in 1982. The increase in the volume of its foreign trade has been more remarkable as total exports rose at an average annual rate of 12 percent to U.S.\$3.6 billion last year. Trade has now linked Shanghai with more than 160 countries and regions.

Shanghai's development cannot be separated from its continued advance in science, technology and culture, which is reflected in the growth in the number of scientific institutes from 12 to 588, and of scientists and technicians from just 200 to 284,000 today.

#### Noteworthy

Backed by 51 colleges and universities, these institutes have made important contributions to more than 6,000 major technical developments, including the 10,000-ton hydraulic press, the 300,000-ton-per-year ammonium plant, large digital computers, essential parts for earth-orbiting-satellites, nuclear testing equipment and space launch vehicles. Their achievements in the production of synthetic insulin, reattachment of severed limbs and the research in DNA have been equally noteworthy.

Standards of living have improved gradually following the progress in economic development. Each person now spends over 500 yuan a year on consumer goods, as against 250 yuan in 1949. The average monthly salary has increased to 76.7 yuan from the 58.2 yuan 30 years ago for state employees, while cash income for peasants rose from 60 yuan in 1957 to 341 yuan in 1982.

As the key industrial and commercial center in China, and an important port in the world, Shanghai plays an essential part in the development of the national economy, which has a target of redoubling the total agricultural and industrial output by the end of the century, as outlined by the 12th National Congress of the Chinese Communist Party.

With this target in mind, we have mapped out a programme to fully utilize the advantages of Shanghai economically, scientifically, technologically, educationally and transportation-wise to meet the ever-growing demand of the fast developing national economy. Our emphasis will be on the promotion of foreign trade, strengthening of economic cooperation with other provinces, acceleration of economic reform and development of science and technology.

To facilitate its rapid economic development, Shanghai must pay enough attention to gradually solve the problems it faces in urban planning and transportation. Our plan is to develop the city into an integrated zone with outlying satellite towns and industrialized suburbs. For this purpose, we should develop its northern flank along the Yangtze River and its southern flank alongside Hangzhou Bay.

Right now, we are engaged in building the export commodity industrial zone of Minghang and the foreign residential zone of Hongqiao, and also rebuilding the port facilities along the Huangpu River into a technically advanced new harbour. Both railways and airways will be improved by the construction of new passenger and freight terminals.

As recently decided by the State Council, Shanghai will become the center of a new economic zone involving the whole Yangtze Delta. This covers a fertile area of some 84,000 square kilometers and 50 million people living in and around 10 major cities--Suzhou, Wuxi, Changzhou, Nantong, Hangzhou, Jiaxin, Huzhou, Ningbo and Shaoxing.

Faced with this gigantic new task, Shanghai fully realizes its heavy responsibility. We will fully cooperate with our associate provinces and cities to develop the new economic zone and through it accelerate the course of the four modernization programmes. With the united efforts of our people and the guidance of our party, we are certain of the success ahead.

CSO: 4006/555

## AGGREGATE ECONOMIC DATA

### BRIEFS

STEEL PLANTS REGISTER PROFITS--Lanzhou, 21 May (XINHUA)--According to sources at an on-the-spot meeting on turning losses into profits by key local iron and steel enterprises, which is being held in Lanzhou by the Ministry of Metallurgical Industry, the profits made by such enterprises across the country from January to April of this year increased 71.1 percent over those in the same period of last year. A profit of 10.76 yuan was made from every 1000 yuan of output value, up 51.3 percent compared with the same period of last year. Energy consumption by key local iron and steel enterprises throughout the country has also dropped. In the first quarter of this year, the consumption of energy for the production of every metric ton of steel reduced 124 jin in terms of standard coal as compared with the same period of last year. Steel output by the key local iron and steel enterprises throughout the country increased 13 percent from January to April of this year, but their energy consumption went up only 5 percent compared with the same period of last year. [Excerpts] [OW221249 Beijing XINHUA Domestic Service in Chinese 0859 GMT 21 May 83]

CSO: 4006/547

## ECONOMIC MANAGEMENT

### 'PROJECT MANAGER' SYSTEM TO BE INSTITUTED

OW241413 Beijing XINHUA Domestic Service in Chinese 0247 GMT 24 May 83

[Report by reporter Yu Youhai]

[Excerpts] Beijing, 24 May (XINHUA)--A new system, the "project manager's" responsibility system, will soon be instituted in our country's key projects. The "project manager" is mainly responsible for all preconstruction preparations for a key project.

An authoritative person here pointed out: The institution of this system will change the long-standing situation in which there are no special persons responsible for preparing capital construction projects before construction commences. This is an important measure to step up the construction of key projects.

The State Planning Commission has decided that the 279 key projects, whose preconstruction preparations are to be made in the sixth 5-year plan period, must have special persons responsible for such preparations. A manager should be assigned to take charge of a key project, and assistant managers may also be assigned where necessary. The project manager should be responsible for scientific and accurate preparatory work, and his responsibilities include: organizing feasibility studies and designing and submitting reports on such studies and designs; making a scientific appraisal of whether or not the project is feasible, technically advanced and economically rational, the resources for the project are reliable, production, supply and marketing are coordinated, and conditions for cooperation with other units are available; and providing accurate data to the state for making a policy decision.

CSO: 4006/547

FINANCE AND BANKING

COMMENTARY URGES TAXATION MEASURES IMPLEMENTATION

OW010427 Beijing Domestic Service in Mandarin 1200 GMT 31 May 83

[Station commentary: "The Work of Replacing Profit Delivery by Taxation Must Be Firmly and Successfully Grasped"]

[Text] Since the State Council document on the replacement of profit delivery by taxation was issued, the financial and taxation departments, the various departments in charge of enterprises and the enterprises themselves in most parts of China have closely coordinated to conduct surveys and estimates, and successfully complete preparatory work in replacing profit delivery by taxation. A great majority of the provinces, municipalities and autonomous regions will replace profit delivery by taxation on 1 June. The provinces, municipalities and autonomous regions, as well as various departments at the central level in charge of this matter, where progress has been rapid in carrying out preparatory work, have shared a common major experience. That is, the leadership attaches great importance to this work and carries it out meticulously and thoroughly. However, the development of such work still remains unbalanced as far as the whole nation is concerned. Some areas and enterprises have failed to achieve a unified understanding of the significance of replacing profit delivery by taxation. These areas and enterprises must learn from the experience of the advanced and raise their awareness to do a good job in successfully replacing profit delivery by taxation. To ensure that the state gets the larger share constitutes an important principle in substituting taxation for profit delivery. Only by doing so, will it be possible for us to ensure the steady increase of state revenue and to guarantee that our state will have the necessary financial resources to build the nation. Currently, our country is still poor. To invigorate our economy, the state must concentrate all necessary financial and material resources on developing a batch of key construction projects. When all key construction projects have been completed, the entire economic situation in our country will be much improved. Only when the state is rich, will the people's living standards be continually raised.



Now, some individual departments and enterprises are asking the state to make less profit, or are even adopting illegal means to achieve the goal of permitting the enterprises and workers to retain more profit for their own use. This kind of practice, which totally ignores the overall situation in the country, is impermissible. To increase profit, an enterprise must rely on its own efforts to improve management and administration, tap its potential in production, raise work efficiency and practice strict economy, while increasing its revenue.

After the substitution of taxation for profit delivery, financial and taxation departments will have far more work to do. Their jobs will be extremely arduous. However, in the course of restructuring the administration in some areas, some financial and taxation organs have already merged. Some organs have been reduced in size. The State Council recently issued a circular. The circular pointed out: In principle, the taxation organs in cities and counties should be independent. Financial and taxation organs, which are separate, should not be merged. Particularly, those organs at the basic level should be strengthened, not weakened. Various localities should conscientiously implement this circular so as to make the practice of substituting taxation for profit delivery a success.

CSO: 4006/569

## FINANCE AND BANKING

### TAX SUBSTITUTION FOR PROFIT IMPORTANT REFORM

OW010018 Beijing XINHUA Domestic Service in Chinese 0019 GMT 31 May 83

[By RENMIN RIBAO reporter Jiang Xia and XINHUA reporter Chen Naijin]

[Excerpts] Beijing, 31 May (XINHUA)--As of 1 June, financial and tax departments will collect income tax from state-run enterprises in all provinces, municipalities and autonomous regions except for a few remote provinces and autonomous regions like Qinghai and Nei Monggol.

The substitution of tax for profit in state-run enterprises is an important reform measure taken by the State Council to enable state-run enterprises to establish and perfect the economic responsibility system; correctly handle the relationship between the state, the enterprise and the staff and workers in the sphere of distribution; and guarantee a steady increase in financial revenues for the state. After switching from profit-delivery to tax payment, the enterprise will pay taxes to the state according to law. This will lead to a proper handling of the economic interests of the state and the enterprise, give greater economic responsibility to the enterprise and its staff and workers, make the enterprise improve its operation and management, and achieve better economic results. Meanwhile, it will also help to further arouse the workers' enthusiasm and create a greater wealth for the state.

A responsible person of the Finance Ministry recently said that the key to success in switching from profit-delivery to tax payment lies in the leadership's attention to this work, which has not proceeded evenly in the country as a whole. Some provinces and municipalities are not swift enough in their actions and their measures are not effective enough. They should quicken their pace. The responsible person of the Finance Ministry emphasized that after a profit-retention level has been fixed, all of the previous levels for retaining unreasonably high profits should be lowered in accordance with state regulations. The work of substituting tax for profit should be done by upholding the principle that the state "does not edge out or yield to" the enterprise. The enterprise should not, in the course of switching from profit-delivery to tax payment, ask the state to make concessions in terms of profits and taxes. The important principle--the state should have the lion's share--should be firmly guaranteed.

CSO: 4006/569

FINANCE AND BANKING

GUANGDONG VICE GOVERNOR ON TAX IN LIEU OF PROFITS

HK270922 Guangzhou YANGCHENG WANBAO in Chinese 13 May 83 p 1

[Report by reporter Ouyang Xi [2962 7122 6007]: "Vice Governor Li Jianan Answers Questions on the System of Delivering Tax Instead of Profits to the State in Guangdong"]

[Text] The Guangdong Provincial Conference on industry and communications ended yesterday. During the conference, this reporter interviewed Vice Governor of Guangdong Province Li Jianan on the question of how Guangdong would implement the substitution of taxes for the delivery of profits, and whether after its implementation the system would affect staff members and workers' bonuses or market prices.

Question: What is meant by substituting taxes for delivery of profits? What advantages does it have?

Answer: When a state-run enterprise changes from handing over profits to the higher authorities to paying income tax, this is called substituting taxes for delivery of profits. It is a good form of correctly handling the distribution relations between the state and enterprises, and an important policy in promoting the reform of the economic management system. It plays an important role in promoting the strengthening of the economic responsibility system and the improvement of economic results in enterprises, overcoming the malpractice of "all eating from the same big pot"; in guaranteeing the steady increase in the state's financial income, and in giving consideration to the interests of the state, the enterprise and the individual; and in utilizing the lever of tax revenue, regulating production and profits, encouraging the advanced and spurring on the backward.

Question: How will the substitution of taxes for delivery of profits be implemented in Guangdong? What does it have to do with the contract economic responsibility system?

Answer: We must take the substitution of taxes for delivery of profits as a great reform, and grasp it seriously. When we stress substituting taxes for delivery of profits, we must not negate the economic responsibility system

previously implemented; we must not negate the word "contract." In practice, the implementation of the economic responsibility system has produced good results, and remarkable achievements. Substituting taxes for delivery of profits also constitutes a sort of responsibility system. In Guangdong's past experiments, we have always treated substituting taxes for delivery of profits as a form of responsibility system (or "contract"); therefore, when implementing the tax-in-lieu-of-profits system, we must link it with reform methods of the past few years, and maintain a continuity; we must not put the substitution of taxes for delivery of profits in opposition to the responsibility system promoted in the past.

In Guangdong, as in the rest of the country, the substitution of taxes for delivery of profits will be carried out in state-run enterprises from 1 June this year. The general demands are for a positive attitude, safe and reliable steps, and solid work. First, all those enterprises able to make the change this year must do so. All those in which contracting for profits is going well, and which are able to guarantee the fulfillment of their financial tasks, but which would have difficulty in substituting taxes for delivery of profits this year, may postpone the changeover until next year. But the target must be fulfilled in all enterprises as soon as possible. Second, all those enterprises which have studied the experience of Qingyuan County in its reform of the industrial management system, which have relatively good working foundations, which are keeping to their contracts, and which are able to guarantee the steady increase in the state's financial income, may consider continuing with the contract system. Third, looking at the practice of the past 2 years or so, the experiments of the Guangzhou Sewing Machine Industrial Company and the seven other "tax in lieu of profit" pilot enterprises have proved successful. These enterprises should therefore be used as models for the substitution of taxes for delivery of profits. They should maintain their experimental character, and following appropriate adjustment of tax rates, should carry out the experiment for a further 3 years.

Question: What influence will the substitution of taxes for delivery of profits have on enterprises' retention of profits and bonus for staff members and workers?

Answer: The general principle underlying substitution of taxes for delivery of profits is the proper handling of the relationship between the interests of the state, the enterprise and the individual. That is to say, two things must be taken into consideration: one is that the initiative of enterprises must be protected, and they must be enlivened. The other is that the steady increase of the state's financial income must be ensured, and that the state gets the biggest share, the enterprise the medium share, and the individual the smallest share. After implementing the substitution of taxes for delivery of profits, as seen over the whole country, the amount of profits retained by enterprises will basically be maintained at present levels. But when we look at each specific industry and enterprise, the situation will

not necessarily be so. The majority of enterprises can maintain their present reasonable levels of retained profits, but a minority, whose level of profit retention is too high, will have to lower it appropriately; they will not be able to wholly retain the profit they make. On the basis of a prescribed proportion between tax rate and profit retention, if enterprises increase production and therefore income, their boats will rise with the water--the state will gain more, the enterprises will gain more, and the income of staff members and workers will also increase.

Last year, the provincial government stipulated a control figure for bonus in all areas of the province. Looking at the present bonus situation, some areas have exceeded the control figure, while some have not yet reached it. Following the substitution of taxes for delivery of profits, the ratio between the bonus control figure set last year by the provincial government and the amount of profits handed over to the state may be converted into a bonus rate. Using this method of linking bonus with profit delivered by enterprises to the state, the bonus rate will be fixed, but the total amount earmarked for bonus will have no ceiling, so that the boat may rise with the water. That is to say, as long as an enterprise increases its production and income, the bonus will not only not fail, but will show increase. However, if those enterprises which last year overstepped the bonus control figure merely maintain last year's profit levels this year, they will have to reduce their bonus levels compared to last year. But this is by no means to say that bonus levels will not rise in the future. As long as enterprises increase production and income, and do not exceed the profit delivery (tax)--bonus rate (that is, the proportion between amount of bonus and the total profits handed over to the state, as defined last year by the higher departments responsible), bonuses given may float up and down accordingly. Taking an overall view, substitution of taxes for delivery of profits will not only mean more income for the state and more profits retained by the enterprises, but more gains for individuals as well.

Question: Will the substitution of taxes for delivery of profits affect prices?

Answer: Substituting taxes for the delivery of profits merely involves the change from handing over profits to income tax on the part of the enterprises, and does not affect prices. However, we must prevent enterprises from breaking away from state plan, and the occurrence of a situation of working harder when there is good profit, not so hard when profit is not so good, and no work when there is little profit. We must prevent unilateral price changes, and othersituations harmful to consumers' interests. We must have strict financial and economic discipline, thoroughly strengthen enterprises' financial and cost management, and prevent arbitrary increases in costs and expenditure.

CSO: 4006/570

## FINANCE AND BANKING

### GUANGXI CIRCULAR ON SUBSTITUTING TAX FOR PROFIT

HK261504 Nanning Guangxi Regional Service in Mandarin 1130 GMT 24 May 83

[Summary] "The regional people's government recently issued a circular calling for substitution of tax payment for profit delivery to the state in all state-owned enterprises, as required by the Ministry of Finance circular which was approved by the State Council. It also demanded that people's government at various levels earnestly grasp it as a major task in their work."

The circular pointed out: In order to smoothly carry out the work of substituting tax payment for profit delivery in state-owned enterprises in our region, some supplementary regulations are adopted as follows in line with specific conditions of our region: 1) All state-run enterprises in our region, with the exception of those which the State Council has approved to not substitute tax payment for profit delivery for the time being, must pay income tax at a rate fixed by the state. 2) Some enterprises in Liuzhou City which have been selected as experimental units for the practice of substituting delivery of profits for taxes, now must be changed into substituting tax payment for delivery of profits. 3) After paying income tax and reserving a certain amount of profits at a rational rate, enterprises must turn over all surplus profits to the state. 4) In implementing the substitution of tax payment for delivery of profits, the preferential treatment offered by the state for trading in national minority areas should be maintained. 5) Supply and marketing cooperatives at or above the county level on principle must pay income tax through county companies.

The circular finally demanded that people's governments at various levels give more leadership to the work of guiding substitution of tax payment for delivery of profits as it is related to our party's policy. Meanwhile, all public media must make a success of propaganda in this field of work. All relevant departments must take the interests of the whole into account and support and work in good coordination. And financial and accounting departments at all levels must become well prepared to meet the important task.

CSO: 4006/570

## MINERAL RESOURCES

### TITANIUM SLAG SMELTING TECHNIQUE DEVELOPED

OW010530 Beijing XINHUA in English 0239 GMT 1 June 83

[Text] Beijing, 1 Jun (XINHUA)--China can now for the first time smelt titanium slag in a closed electric furnace, according to the State Science and Technology Commission.

The research result has been approved by an appraisal committee organized by the Chinese Ministry of Metallurgical Industry. Closed electric furnaces for industrial production can now be designed on the basis of the experiment.

The success means China has made an important breakthrough for comprehensive utilization of the rich deposits of vanadium-titanium magnetite in the area of Panzhihua, Sichuan Province with 85 percent of the country's deposits. The research was one of the country's 38 major technical problems to be tackled during the state Sixth Five-Year Plan (1981-1985).

An ore dressing plant with an annual capacity of 50,000 tons of titanium concentrates has been built in Panzhihua. The Ministry of Metallurgical Industry and the China National Industrial Corporation of Nonferrous Metals are planning to build a 5,000-kilowatt closed electric furnace with an annual output of 11,000 tons of titanium slag in the Yunnan smelting plant not so far from the Panzhihua area. They are also planning to transform some of China's existing open furnaces for titanium slag into closed ones.

China ranks the first in titanium resources in the world. This rare metal is widely used in aerospace and the petroleum, chemical, medical apparatus and instruments industries.

The usual sulphuric acid process of production of titanium dioxide pigment leaves large quantities of waste gas, water and industrial residue. There is now a general trend in smelting titanium concentrates to produce titanium slag first and use the slag as raw material.

China started to produce titanium slag in 1958. However, the open-furnace process calls for heavy consumption of power and raw materials and pollutes the workshop with flying dust.

The Beijing General Institute of Nonferrous Metals, the Jinzhou Ferrous Alloy Plant and the Shenyang Aluminium-Magnesium Design and Research Institute started to make experiments in pre-oxidating and desulphurizing titanium-iron ore and smelting titanium slag in a closed electric furnace. They built a rotary kiln for desulphurization of titanite iron ore and a closed electric furnace for smelting titanium slag to prepare them. The devices proved to be low in heat loss and power consumption and easy to operate. There is little dust and no noise. The rate of recovery of titanium dioxide is high and the gas can be recovered.

CSO: 4020/84



## MINERAL RESOURCES

### BRIEFS

GOLD MINES ADMINISTRATIVE COMMITTEE--Xian, 20 May (XINHUA)--A committee for administering the gold resources in the Xiaoqinling area, on the border between Shaanxi and Henan Provinces, was inaugurated at a ceremony in Xian today. Xiaoqinling is one of China's major gold producing areas. In the past few years, indiscriminate mining by some communes and their subdivisions has become a serious problem. In October 1981, a central leading comrade made suggestions for protecting the gold resources there. Departments concerned in Shaanxi and Henan have adopted effective measures against indiscriminate mining. To put an end to this practice, the departments concerned in the two provinces decided to form a joint committee to administer the gold resources. [Beijing XINHUA Domestic Service in Chinese 1434 GMT 20 May 83 OW]

CSO: 4006/569

## INDUSTRY

### INTRODUCTION TO KEY PROJECTS THROUGHOUT COUNTRY

OW281401 Beijing XINHUA Domestic Service in Chinese 1234 GMT 27 May 83

["Introduction to Key Projects Throughout the Country" special column by XINHUA reporter Fei Qiang: "Make New Clothes for the 1 Billion People--A Visit to the Construction Site of Yizheng Chemical Fiber Project"]

[Excerpts] Nanjing, 27 May (XINHUA)--Yizheng, a not very famous county in Jiangsu Province, will be the focus of national attention as our country's largest chemical fiber producing base.

It was spring south of the lower reaches of the Changjiang River when we came to this new chemical fiber city. The people gave us an account: When the first-stage project of the Yizheng Chemical fiber base is completed, it will produce 183,000 tons of short polyester fiber [di lun 3321 4858] and polyester slices [ju zhi qie plan 5112 5176 0434 3651] for producing polyester fiber, equivalent to a year's output from 3.6 million mu of high-yield cotton fields. If all the fiber is made into polyester-cotton cloth, it will be enough to make a new suit for each of our country's 1 billion people.

What the reporter saw here are 136 individual construction in the first-stage project, including the No. 1 polyester fiber plant, thermalelectric plant, wharf, water supply and treatment plant and other stepped up construction covering a total area of 650,000 square meters. The project was started on 1 January 1982.

While the production facilities are being built, the construction of the living area, including residences, schools and store, is also being carried out in an all-round way. The present construction area is 300,000 square meters including 160,000 square meters which have been already completed and put into use.

The Yizheng chemical fiber complex's deputy chief engineer, Jiang Shicheng, told me: Since the 1970's, the state has built several large chemical fiber plants in Shanghai, Sichuan, Liaoning, Tianjin and other places. However, this is too few. China has a population of 1 billion. It should have a powerful chemical fiber industry and should not base a major factor in the people's livelihood such as clothing on imports.

As shown by Jiang Shicheng's account, in the 5 years from 1976 to 1980 the average yearly polyester fiber consumption was less than 1 meter per person. The yearly chemical fiber output after completion of the first-stage project of the Yizheng chemical fiber base will be enough to make 1.8 meters of cloth for each of the 1 billion people.

CSO: 4013/241

## INDUSTRY

### SMALL TRACTORS SUPPLY IN RURAL AREAS UNEQUAL TO PEASANT DEMAND

#### Rush to Buy Small Tractors

Harbin HEILONGJIANG RIBAO in Chinese 23 Mar 83 p 1

/Report by Liu Dingzun /0491 7844 1415/: "A Tide in Buying Small Tractors. Appears in the Rural Areas Throughout the Province"

/Text/ At present, a high tide of peasants rushing to buy small tractors has appeared in the rural areas throughout the province. Statistics of concerned departments show that in January and February, 2,657 sets of small tractors were sold throughout the province. The Longjiang county agricultural machinery company recently purchased 140 sets of four-wheel tractors, which were all bought by the peasants in 3 days.

After the rural areas have implemented the contracting system of responsibility in joint production, the walking and four-wheel tractors became quite popular among the peasants and the demand became greater and greater. Since the beginning of this year, the provincial agricultural machinery company organized the departments in charge in the various municipalities to transfer over 100 cadres to go separately all over and outside the province to ascertain the source of goods and organize supply. The agricultural machinery companies in Ganlan, Lindian and Longjiang counties successively placed purchase orders for over 4,600 sets of small tractors from the Fujin tractor plant. The agricultural machinery companies in Qiqihar city and Nahe and Binxian counties purchased over 6,700 sets of small tractors from the tractor plants in Changchun and Longjing of Jilin Province, Xingtai of Hebei Province and Weifang of Shandong Province, and are dispatching them one after another to the rural areas. The Fulu agricultural machinery repairs plant as well as other plants in Baiquan and Fuyu counties have even trial manufactured small four-wheel tractors and have plunged into small scale production. It is estimated that before the sowing of the field crops, some 4,500 sets of small tractors will have been put in the rural areas throughout the province.

In order to purchase small tractors at an early date, the peasants have actively paid their deposit. Statistics from some areas show that the deposits which the peasants have paid have already reached some 4 million yuan. In Ganlan County alone, the peasants have paid 780,000 yuan of deposits.

## Buying Tractors Through Pull or Influence

Harbin HEILONGJIANG RIBAO in Chinese 23 Mar 83 p 1

/Report by reporters Yao Yi /1202 0001/ and Lu Changhong /4151 2490 1347/;  
"We are Hoping that Locally-Manufactured 'Walking Tractors' will be a Reality  
in the Countryside"/

/Text/ On our visit to Shangzhi County, we encountered an incident in which  
peasants went to town to buy "walking tractors" through pull or influence from  
the county party committee secretary. This incident called for deep thought.

Commune member Li Chaunfu of Sanyang production brigade in Yimianpo commune  
built up a family fortune last year through contracting work, so he wanted to  
buy a walking tractor. He went all over and asked favors from many people  
and was still unsuccessful. Later on, he went to ask help from Yang Xigui, the  
commune party committee secretary. Yang Xigui also looked at him helplessly.  
He said that there were already 37 families who had come to him to see if they  
could buy "walking tractors" through pull or influence, and none had any  
success. Li Chuanfu said: If you don't have any means, can't we go together  
to see "the country boss"?

A few days later, the two went to the county to ask Liu Chun, a member of  
the country party committee, to help them resolve the problem. Liu Chun  
momentarily also expressed his difficulty. He put up his thumb, saying:  
"There are exactly 100 people throughout the county who have asked me for  
"small walking tractors." Our province indeed has quite a bit of industry,  
and yet has not engaged much in producing this toy. We can't meet our needs  
by relying solely on import from other places. Coming to me, you have found  
the wrong person again. However, if we have the goods, we will consider Li  
Chaunfu first since he belongs to a household that sells over 10,000 jin of  
grain and has made contributions."

Through this incident of how the peasants bought walking tractors through  
pull or influence, we truly must be able to see whether or not the industrial  
departments of our province have truly faced the broad market of the country-  
side. Our industrial departments must leave their organs and factories and  
come to understand the needs of technological equipment in the countryside and  
change as soon as possible the condition in which the peasants try without  
success to buy the urgently needed items through pull or influence!

9335

CSQ: 4006/476

## INDUSTRY

### DEMAND FOR STEEL HANDSAWS NOTED

Changsha SHICHANG TIAOJIE in Chinese 15 Mar 83 p 2

/Report by Chen Zhenji /7115 2182 4764/ and Zhu Tianshe /2612 1131 6376/: "The Demand for More Steel Handsaws is Continually Rising"

/Text/ The steel handsaw is a common tool in industrial production as well as a tool which the family is equipped with. At present, our country has 37 factories that produce the product, with an annual production capacity of about 900 million pieces. Last year, the entire country produced a total of some 787 million pieces. In the fourth quarter of last year, the Shanghai metallurgical station convened a national goods supply conference for the 21 fixed outlet supply stations. At this conference, the information provided showed that, on the average, only 41 percent of the plan to satisfy the demand for goods at the various stations was fulfilled. Due to the increase in demand, the production this year will continue to rise accordingly. What are the reasons for the swift rise in the demand for more steel handsaws? The authors recently visited concerned departments and units and obtained the following answers:

I. The characteristics in heavy industry were the continuous picking up of machinery industrial production and the acceleration of the pace of technological transformation in the present industrial enterprises. These have brought about the great increase of the volume of use of the steel handsaw. According to an investigation of the 10 medium sized and small machinery plants in Changsha Municipality, the volume of use last year was increased by 15.7 percent over its preceding year, and the estimated volume of use this year will be increased by 21.1 percent over that of last year.

II. The swift expansion of the volume of sale to other areas. The total volume of export throughout the country in 1979 was 45.5 million pieces. There were only a few enterprises in Shanghai, Tianjin and Ningbo that were responsible for export tasks. The volume of export this year will double and redouble. For instance, the Changsha tools factory has presently signed contracts with the foreign trade departments for export of double-edged saws, and there is also the trend of expansion of demand for goods.

III. The development of the district, neighborhood, commune and production brigade enterprises and individual economy has also expanded the volume of use.

Just Changsha Municipality alone, last year, there were over 300 individual households that were engaged in metallurgical industry, machinery and repairs of electrical appliances, and they consumed over 30,000 pieces. It looks like the consumption is going to increase this year.

IV. With the rise in the standard of living of the people in the cities and the countryside, the volume of use by families has also increased rapidly. In particular, the volume of use by rural commune members' families has increased even more rapidly.

In accordance with the above situation, it is estimated that the steel handsaws throughout the country should increase by 19.4 percent on the basis of last year's output, which means to maintain at a level of 940 million pieces before the needs of the market can be satisfied.

9335

CSO: 4006/476

## INDUSTRY

### PRODUCTION, SALES OF ELECTRICITY METERS REPORTED

Changsha SHICHANG TIAOJIE in Chinese 15 Mar 83 p 2

/Report by Lin Guozhong /2651 0948 1813/ and Mo Jiwu /5459 0679 2976/: "The Trend of Production and Sales of Meters"/

/Text/ Looking at the entire country, the trend of production and sales of electricity /usage/ meters this year is as follows: The output will basically be fair compared to that of last year, and contradictions will appear in the supply and demand in product variety. Last year, 38 focal plants in reality produced 18.2 million meters. This year, the Appliance and Meters Bureau under the Ministry of Machinery Industry planned and arranged for the production of 16.21 million meters and the various factories planned and arranged for production of 18.44 million meters. This is not much different from last year. In product variety, the supply of monophasic meters is greater than the demand while the supply of three-phase meters is not enough to meet the demand. The reason behind this is that there are few factories that produce three-phase meters. The output is limited and is unable to satisfy the demands of the machinery repairs factories. This has thus limited the output of the three-phase meters and intensified the contradiction between supply and demand.

The market for meters in our province will gradually be transferred from the city to the countryside, especially to the countryside with a rich resource of electricity. This is because, in recent years, the rural small hydro-electricity has developed very rapidly. With it has been the swift development of the rural economy and the swift raising of the livelihood of the peasants. Not only did the electricity consumption households increase drastically, but the peasant households that purchase and use household electrical appliances also increased swiftly. Many commune members have electric fans, televisions and record players in their homes. Cili County even encouraged commune members to use electricity for heating, cooking, and thus many peasant households also own electric rice cookers. With these household electrical appliances came the necessity to install meters. This way, the volume of demand for meters increased. Last year, Cili County sold a total of 9,157 meters, which made up 59 percent of the total sales volume. With the continuous extension of the power network, more and more households will consume electricity. It is estimated that such a trend of popular sales will continue for several years. The materials bureau of Yiyang County last year sold a total of 1,516 meters.

In January of this year, in 28 days, it already sold 562 meters, which made up 37 percent of the volume of sales throughout the country last year, and amounted to 27 times that of the same period last year when only 21 meters were sold.



## INDUSTRY

### GUANGXI TO PRODUCE MORE GOODS FOR MINORITIES

OW311010 Beijing XINHUA in English 0825 GMT 31 May 83

[Text] Nanning, May 31 (XINHUA)--Forty-one factories producing commodities for minority nationalities will be retooled and upgraded, according to a recent decision of the Guangxi Zhuang Autonomous Region.

The investment of 9.8 million yuan is expected to raise the region's annual output value for such products by 33 percent in the next three years. Last year Guangxi turned out 40 million yuan worth of products for minority nationalities, according to the region's light industrial department.

Thirteen of China's minority nationalities live in Guangxi and number 14 million, or 38 percent of the region's population. The Zhuang nationality, China's largest minority, has a population of 12.4 million in the region.

Production will center on minority costumes, 9-woven articles, colored shoes, embroidery, Zhuang brocade and silver ornaments, the department said.

In the three years ending 1982, the government earmarked 500,000 yuan each year to help the region boost production of commodities needed by minorities. Output value went up 10 percent every year.

Distribution and sales outlets have also been improved, according to the department.

CSO: 4020/84

## INDUSTRY

### BRIEFS

OIL STORAGE MONITORING INSTRUMENT--Nanjing, 22 May (XINHUA)--A multipurpose monitoring instrument for use in oil storage caves was recently developed in Nanjing. Using more advanced Chinese integrated circuit and computer technology, this instrument can automatically monitor the quantities of fuel in storage, pressure inside fuel tanks, cave temperature and humidity and oil vapor density. The PLA General Logistics Department has approved production of the instrument for use by PLA oil storage facilities.  
[Summary] [OW020509 Beijing XINHUA Domestic Service in Chinese 0115 GMT 22 May 83 OW]

CSO: 4013/241

## CONSTRUCTION

### MEETING STRESSES KEY PROJECT CONSTRUCTION

OW250215 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 23 May 83

[Excerpts] The Jiangxi provincial meeting on the construction of key projects came to a successful close in Nanchang on 21 May. Ni Xiance, standing committee member of the provincial party committee and vice governor of Jiangxi, presided over the meeting. Zhao Zengyi, secretary of the provincial party committee and governor of Jiangxi, listened to reports and spoke at the meeting.

Focused on ensuring the completion of key projects, the meeting emphatically discussed how to control the scope of capital construction and made arrangements for checking up on projects under construction. It discussed how to solve major problems concerning the construction of key projects at present and how to improve management of those projects henceforth. It also discussed how to adhere to procedures in capital construction, improve designing and particularly preparatory work for construction projects and achieve better yields from investment.

In his summing-up speech, Comrade Ni Xiance dealt with current pressing problems concerning the construction of key projects, such as difficulties in the requisition of land, shortage of materials, and costs in excess of original estimates. He put forward five suggestions based on the discussions at the meeting:

1. Priority would be given to energy projects, projects which yield good economic results, projects which can be completed and put to use the year they are built, and projects which are highly feasible.
2. Requisition of land for key projects should be handled by local governments; the people's legitimate interests should be protected, but they are not allowed to make exorbitant and unreasonable demands.
3. The present supply system should be reformed and materials for key projects should be supplied directly to construction engineering units according to the priority of the projects.

4. The designing department should recheck costs in excess of original estimates, and the planning department should make overall readjustments to cover justified and unforeseeable additional costs.

5. It is necessary to strengthen leadership over the construction of key projects.

In his speech, Comrade Zhao Zengyi emphasized that the whole province should support the construction of key projects and that in particular it should do all it can to support the key and important construction projects built in Jiangxi Province by the state. He urged the designing department and the construction engineering department to actively popularize the use of new-type, energy-conserving and locally produced building materials.

CSO: 4006/570

## CONSTRUCTION

### MAJOR CONSTRUCTION SITES IN HEILONGJIANG LISTED

Harbin HEILONGJIANG RIBAO in Chinese 15 Apr 83 p 1

/Article by HEILONGJIANG RIBAO reporters Fu Jingping /0265 2529 1627/ and Gan Fuming /3927 3940 2494/; "Forty Major Construction Projects Get Under Way in Succession Province-wide; Energy Development, Railway Communication, and Textiles and Light Industry in Priority Position"/

/Text/ Qingming has just passed and the earth is beginning to thaw. The army of thousands of construction workers throughout the province is marching to the construction sites and work is getting under way on 40 continuing or new large-scale construction projects.

This year the scale of capital construction in Heilongjiang is greater than last year, with total investment of nearly 290 million yuan, an increase of over 60 percent compared to last year. There are 40 large-scale projects which are classed with national planning, including 36 which are continuing, 1 which is winding up, and 3 which are just beginning. Investment priorities are in energy construction, railway communications, chemical industry bases and textiles and light industry.

Investment for the 300 ton ethylene plant and its equipment at Daqing which was one of the 8 major chemical industry projects recommended was increased 500 million yuan over last year.

There have been new developments in beginning energy construction this year. The four major mining regions of Jixi, Hegang, Shuangyashan, and Qitaihe are now building or expanding 17 pairs of mine shafts, and after these shafts are completed raw coal production capacity will increase nearly 900 thousand tons. In electric power construction, apart from continuing work on the Fulaerji No 2 Electric Power Plant and the Mudanjiang No 2 Electric Power Plant, work has already begun on the Harbin No 3 Electric Power Plant. The second 200,000 kw generator group of the Fulaerji No 2 Electric Power Plant is now being hoisted into position, and they are trying to get it into test generating of electricity by the end of the year. The Yichun Power Plant and the Harbin Chemical Industry Associated Thermo-electric Power Supply Station which have been under construction for 3 years are now stressing installation of equipment and will have one generator group in operation within the year. In addition there is the 450 km high tension transmission and transforming project of Shangzhi-East Harbin (transformer station), Qiqihar-Beian and Jiamusi-Hegang which is associated with it.

Railway communication construction has been put in an important position. The Bin-Zhou multiple track project received a large increase in funding this year and the 50 km multiple track construction from Daqing to Wolidun, and from Daan to Wulumu should be completed. The Nen-Lin railway will continue to extend into the Daxing-Anling area with the construction of the 110 km Ta-Han branch line. Station facilities from Tahe to Shibazhan should be completed and the road-bed from Shibazhan to Hanjia Yuanzi should be constructed. With the winter test construction of the major highway bridge at Songhuajiang, preparations for work are now actively under way and the work will begin comprehensively on 1 May.

Textiles and light industry construction has been made a key item for priority development. In light industry this year there are 9 large-scale projects. In addition to the Harbin Paper Mill and the Jiamusi Paper Mill which are continuing construction, there is also the Binxian, Lindian, and Youyi Sugar Mills and the Shuangcheng Sugar Mill which is just winding up, the newly constructed Qinggang and Yian sugar mills and the Anda Milk Products Plant. This year construction starts will have a high tide and by the end of the year can increase capacity to produce sugar 50,000 tons. In the textile industry, with the support of the China International Investment Credit Company, the Harbin Printing and Dyeing Mill, the Anda Woollen Textile Mill, and the Lanxi Linen Textile Mill have investment funds guaranteed and the pace of construction will clearly accelerate. The 50,000 spindle cotton weaving equipment of the Harbin Textile Printing and Dyeing Mill is now being installed, and a 40,000 sq. m. factory building for the 50,000 spindless of long fibres equipment has already started construction. Engineering construction of the Lanxi Linen Textile Mill is basically completed with the efforts of the Second Office of the First Provincial Construction Company, and they have already begun to install equipment and will go into test operation by the end of the year.

8226

CSO: 4006/501

## CONSTRUCTION

### COMMUNE, BRIGADE FACILITATE STATE REQUISITIONING OF THEIR LAND

Beijing GONGREN RIBAO in Chinese 17 Apr 83 p 1

/Article by Zhou Congsong /0719 0654 2646/:" After News Spreads that All Land of Fengshuigou Brigade in Liaoyang County to be Requisitioned by the State, Some Advocate Taking Advantage to Make a Killing; Commune CPC Committee and Brigade Party Branch Firmly Refuse; Fleecing the State Cannot be Done No Matter What"/

/Text/ The Fengshuigou Brigade of Lanjia Commune in Liaoyang County has adopted an overall point of view. With the state requisitioning all of the brigade's land, not one commune member has haggled over price with the state or enterprise and those from other places who have attempted to take advantage of the situation to transfer residency have all been refused by the commune's CPC committee and the brigade's party branch. This has protected the interests of the state and strengthened the alliance between industry and agriculture.

With the approval of the State Council, the Qidashan Ore Dressing Plant of the Anshan Iron and Steel Mill Mining Company requisitioned all the land of the Fengshuigou brigade of the Lanjia Commune of Liaoyang County to build a second stage tailings embankment. It was decided that the members of the brigade will be transferred from agricultural households to urban households and the labor force will be found employment by the city. After the news was made public, some advocated using the opportunity to take advantage of the state and make a killing. Those from nearby Sanliwu Village and also some agricultural households in the suburbs of Anshan and Liaoyang cities also thought to take advantage of the situation to transfer residency to the brigade. Many leadership cadres drove around looking for their relatives and friends in communes and brigades to do this and some leadership cadres wrote notes to the leadership of the commune and brigade asking that the back door be opened for their relatives and friends, that they be accomodating, and that if it worked out they would be very grateful, etc. However, the commune CPC committee and the brigade party branch both felt that this was something which would fleece the state and harm the enterprise and should not be done no matter what, that the needs of the state should be unconditionally obeyed, that the state decided to requisition the land and the earlier it was requisitioned, the earlier the enterprise would benefit, and that the state could not be allowed to suffer loss.

To educate the commune members to take the correct attitude, the leadership cadres of the Lanjia Commune CPC committee and the Fengshuigou brigade party branch, set an example in their own behavior, and took the lead in persuading their own relatives and friends, rejecting one by one the more than 400 households who came demanding that they be allowed to change residency, and educated the commune members to adopt an overall point of view, strengthened the alliance between industry and agriculture. They took the initiative to turn over to the Anshan Iron and Steel Mill Mining Company's Planning Office all the residency cards of all the households and all the people of the brigade and happily obeyed the needs of the state to make the second stage tailings embankment project of the Qidashan Ore Dressing Plant of the Angang Iron and Steel Works go forward smoothly.

8226

CSO: 4006/501



## CONSTRUCTION

### DESIGNERS ANSWER QUESTIONS ON DIVERSION OF SOUTHERN WATER TO NORTH

Tianjin TIANJIN RIBAO in Chinese 13 Apr 83 p 1,3

/Article by Han Guozhen /7281 0948 3791/: "Responsible Persons of the Office of Diversion of Southern Water to the North of the Ministry of Electric Power Industry Answer Reporter's Questions; Design of Preliminary Project for the Eastern Line of Diversion of Southern Water to the North Under Way; Drawing in Water from the Chang Jiang Can Fundamentally Resolve Tianjin's Water Problems"/

/Text/ The terminus of the Eastern Line Project of diversion of southern water to the north is Tianjin. After the news was published that the State Council had approved the proposal for the eastern line project for diversion of southern water to the north, the people of Tianjin, who were fed up with the difficulty of going without water and suffering drought, followed the news with great interest. People looked forward impatiently to the early arrival of Chang Jiang water in Tianjin. The other day a reporter made a special trip to Beijing to visit Yao Bangyi /1202 2831 5030/, the responsible person of the Office of Diversion of Southern Water to the North of the Ministry of Electric Power Industry, and Hu Shuren /5170 2885 0086/, the engineer in charge. They described to the reporter the situation in diversion of southern water and answered the reporter's related questions.

Question: The people of Tianjin are especially concerned about the diversion of water to the north. Would you please discuss the situation in diversion of water to the north?

Answer: Concerned units of relevant provinces and the design institute of the Committee to Control the Huai are now hard at work on the design of the initial period of the eastern line and planning for the entire line is under way.

The diversion of southern water to the north was proposed long ago in the early fifties. In 1952, while inspecting the Huang He, Chairman Mao said that we have a lot of water in the south and little water in the north so if possible it should be all right to share some of it. Premier Zhou was very concerned about this and many times directed concerned units to investigate the diversion of southern water to the north. Later on, water conservancy sections did a great deal of work and designed over a dozen methods for diverting water and carried out some on the spot surveys, as well. At bot-

tom, these proposals can be divided into three diversion routes; west, central, and east. The western route is to build high dikes, drill tunnels or build mountain channels in the 2,000-4,000 meter high valleys in the upper reaches of the Chang Jiang and draw the water from the Jin Jiang and Sha Jiang valleys into the upper reaches of the Huang He, then send the water to places in Qinghai and Gansu in the northwest. The central route is to draw water from the three gorges in the middle reaches of the Chang Jiang through Jingshan and send it to the Han Jiang through the Danjinkou Reservoir, then on through Nanyang and Zhengzhou to north China, ultimately to Beijing as a supplementary water source for the 100 million mu of farmland in the provinces of Hubei, Henan, and Hebei and the Beijing Municipality and the industries and mines in the cities along the route. The eastern route, that is, the one which was approved by the State Council, is also a route which draws water from the Chang Jiang straight to Tianjin. This one generally draws water from the lower reaches of the Chang Jiang in the vicinity of Yangzhou and follows the route of the Grand Canal from Hangzhou to Beijing: after flowing through the Hongze Hu, Loma Hu, Nansi Hu, and Dongping Hulakes, crosses the Huang He through grade separation and then flows to Tianjin along the Beijing-Hangzhou Canal.

Question: Why was this route adopted to divert the water?

Answer: This route had many beneficial conditions. First of all, this route is on the lower reaches of the Chang Jiang where water volume is abundant and for many years the average annual volume of water has been 10,000 hundred million cubic meters.

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Even if the amount of water drawn from the Chang Jiang was 1,000 m<sup>3</sup>/sec, the annual volume of water drawn would be 30 billion cubic meters and this is only about 3 percent of the volume of the Chang Jiang. Second, the route goes through flat areas so the engineering is simple and existing river channels and existing structures can be utilized. In addition, the three large lakes along the route can be used as reservoirs so that the water drawn from the Chang Jiang can provide even greater benefits. Although drawing water uses electricity, the newly constructed generator plants in the Xuzhou and the Lunan mining areas need water drawn from the Chang Jiang as a supplement so the two are complementary. It can be said that the eastern route is the one diversion route which is more ideal at the present time.

Question: What tasks does the initial period project in the eastern route of the diversion of southern water to the north approved recently by the State Council include? After the initial period work is completed can the Chang Jiang water cross the Huang He?

Answer: The initial period project work on the eastern route is all in the Huai He valley. This will be done on the foundation of the diversion work already begun in Jiangsu in the sixties. By 1990 it is scheduled that water from the Chang Jiang will be sent into Dongping Hu, some 30 li from the Huang He. At the same time, preparations for crossing the Huang He will be made to lay a good foundation for sending the water across the Huang He.

The initial period of the project will expand the trunk line using the existing Beijing-Hangzhou Canal and fully utilize the pumping stations which have already been built at Jiangdu and Huaian in Jiangsu so that the construction will be minimal. The water transportation route will start by pumping water from the Chang Jiang at Jiangdu, follow the Li Canal of the Grand Canal, go through the Zhong Canal, Bulao He and Hanzhuang He into Nansi Hu, then through the Liangji Canal to Dongping Hu. The first period work on the project is divided into two stages: before 1985 it will be built so that in the slack irrigation seasons of winter and spring it will be capable of sending 100 m<sup>3</sup> sec into the lower level lake of Nansi Hu and 50 m<sup>3</sup> sec into the upper level lake; before 1990, the rest of the project will be completed. After the first part of the project is completed, 2.1 hundred million cubic meters of water drawn from the Chang Jiang will be supplied to the cities and industries and mines along the route and for transportation on the canal annually. While the assurance of water supply for 21 million mu of irrigated land will be increased, it will also make possible year-round navigation of the Grand Canal from Yangzhou to Jining.

Question: It's been said that there have been many ideas of projects to get water from the Chang Jiang across the Huang He. Is this true?

Answer: Yes. How to get water from the Chang Jiang across the Huang He is a key project in diversion of southern water to the north. There have been three proposals for getting Chang Jiang water across the Huang He. One is surface crossing, that is, to put the water from the Chang Jiang into the Huang He from the southern bank, then draw it off again from the north bank of the Huang He. But because there is so much silt in the Huang He, adopting this method would mean carrying over 100 million tons of silt from the Huang He to the north every year, which is clearly unacceptable. The second is to build an aqueduct above the Huang He, but this requires lifting the water and the annual costs are too high, so this is not too good an idea either. Now, through the researches of specialists and many geological explorations, it has been decided to have the water from the Chang Jiang cross the Huang He below the riverbed. That is, to drill three large tunnels about 10 meters in diameter through the rock under the river so that the water can flow across the Huang He through the tunnels. It has now already been decided that in the first period of the project an exploratory test tunnel about 3 m in diameter is to be opened. On the one hand this will provide good preparation for tunnelling in the second period of the project and, on the other, when necessary it can be used to draw a small amount of water for the area north of the Huang He.

Question: Does this mean that the tasks of construction in the southern sector of the eastern route diversion project are much greater than in the northern?

Answer: You could say that. The eastern water diversion route is 1,150 km long overall; 660 km is south of the Huang He and 490 km is north of the Huang He. At the same time, since the level of the water crossing the Huang He is 40 meters higher than the level of the water when drawn from the Chang Jiang, 15 steps must be built on the route south of the Huang He, 30 large-scale pumping stations must be built, and about 1.5 million kw of water pumps

must be installed. In this way, as in a relay race, the water can be raised level by level until finally it is taken across the Huang He. After the water has crossed the Huang He, it will flow towards Tianjin on its own due to the gradual descent of the terrain.

Question: What other problems are there with the eastern route project for diversion of southern water to the north?

Answer: In the eastern route water diversion, from a technical standpoint, diverting water across the Huang He isn't difficult. But the project to divert southern water to the north involves such a broad range of aspects and water diversion must take into consideration the prospects for development of China's central region in the Hai He valley and the Luan He valley where 100 million people live. For this reason the questions of the volume of water needed for the economic development of the Hai He and Luan He valleys, the good and bad impact on the environment, of the economic propriety of using diverted water for agriculture, improving economic results and constant improvement of the environment still require much thorough and specific work. We hope to investigate and discuss these issues with comrades concerned with the development of the Hai He and Luan He valleys to establish development of water diversion plans on a more scientific foundation.

Question: Please tell us about the prospects for water sources for Tianjin.

Answer: For the past three years, North China has been very dry. The materials of relevant sections demonstrate that the volume of water flowing into the sea from the Hai He valley is gradually diminishing and in dry years it diminishes even more. In the fifties the average annual volume of water flowing into the sea was about 16 billion cubic meters, in the sixties it was 12 billion, and by the seventies it was a little over 7 billion. In 1980, 1981, and 1982, due to the successive droughts, the annual volume of water flowing into the sea was only 2 or 3 billion cubic meters. In the past few years a major portion of the branch streams in the Hai He valley have been dry in non-flood season. Thus since 1965 the only supplemental water source for Tianjin has been the Miyun Reservoir. In this period, except for 1973 and 1974 when the water situation was good and no water had to be drawn, over 800 million cubic meters of water have been drawn from the Miyun Reservoir each year. Last year the Central Committee decided that the water in the Miyun Reservoir was for Beijing and would no longer supply Tianjin with water, thus cutting off Tianjin's supplemental water source. Therefore, the Central Committee decided to draw on the Luan He to help Tianjin and began the project to draw on the Luan He to help Tianjin. Of course, if after the project to draw on the Luan He is completed, with the rational utilization of local water resources and strengthened water conservancy measures, Tianjin's water supply situation may be temporarily ameliorated. However, the water in the Luan He is also limited, and the chances that there will be dry years for the Hai He and Luan He valleys is still great. According to forecasts, in dry years the water in the Luan He is generally less than 1 billion cubic meters, thus there will not be much water to send to Tianjin, so the rate of guarantee is not high. With the needs of modernization construction, Tianjin Municipality's

industrial and agricultural production may expand more and there will also be an increase in the people's level of water use for daily needs. Thus the limited water of the Luan He cannot fundamentally resolve Tianjin's water problem. Only by drawing water from the Chang Jiang to Tianjin can Tianjin's water problem be fundamentally resolved.

Therefore, diversion of southern water to the north, drawing water from the Chang Jiang across the Huang He and helping out the dry northern regions is necessary for the four modernizations, necessary for the level of Tianjin's industry and agriculture and it is imperative.

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CSO: 4006/501

## CONSTRUCTION

### CONTROLLED DEMOLITION USED TO DESTROY OLD BUILDING

Tianjin TIANJIN RIBAO in Chinese 9 Apr 83 p 2

/Article by Jin Baoyu /6855 1405 3768/: "Controlled Blasting Used in City Center in Hangu Ward; In One Second An Old Building is Destroyed"

/Text/ At 3 p.m. on the 4th, the new technology of controlled blasting was used in the busy streets of Hangu Ward to destroy the old New China Bookstore building. With a roar the two-storey reinforced concrete building 11 meters high collapsed on the spot in less than a second. Apart from dust which rose on the spot there was none of the flying rocks which is customary with explosions and the glass windows of neighboring agencies and shops several meters to several tens of meters away suffered no damage. Leadership cadres and scientific and technical personnel who witnessed the explosion all said that the explosion was neat and very successful and that it was a good method from cities to destroy strong old buildings.

Engineer He Guangyi /0149 1684 3085/ of a Scientific Research Institute of the PLA Railway Engineering Corps was the one who undertook to plan this demolition. He is a middle-aged demolitions expert with a great deal of experience. Wang Baocun /3769 1405 1317/, the Deputy Chairman of the Hangu Ward Construction Committee who was on the scene directing the demolition, told reporters that controlled demolition is a new technique. In the past removing old buildings in the city frequently took a great deal of time and was unsafe, influencing the operation of surrounding offices and the rest of the masses and it cost a lot of money. Using controlled demolition, in a moment's time a building can be dropped on the spot and later removal takes less time and is much safer.

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CSO: 4006/501

## CONSTRUCTION

### BRIEFS

GUANGDONG CAPITAL CONSTRUCTION PROJECTS--The total amount of investment in 41 key capital construction projects in Guangdong Province this year is some 780 million yuan. Energy resources and communications are the weak links of the national economy in the province. In order to gradually change this situation, the province has strengthened the building of energy resources and communications. Therefore, 18 of the 41 key capital construction projects are energy resources and communication capital construction projects. Of these 18 capital construction projects, 9 are electricity capital construction projects, 2 are coal capital construction projects, and 7 are communications and transport capital construction projects. The amount of investment in energy resources and communications projects accounts for 57.89 percent of the total in the 41 key capital construction projects. Of the key capital construction projects, seven are culture and education capital construction projects. It has been planned to build teaching buildings, libraries, laboratories, and workers' quarters of the institutes of higher education, including Zhongshan University and Jinan University. According to the plan, of the 41 key capital construction projects, 8 will be completed and put into operation this year, 17 will be partially completed and put into operation this year, and 16 will continue under construction this year. The current existing problem is to raise funds and materials for these key projects. Therefore, all prefectures and departments must support the key projects, reduce the number of general construction projects, and not embark on other projects which are not included in the plan. [HK311322 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 29 May 83 HK]

HAINAN ISLAND CONSTRUCTION--Some 10 key projects will be under construction this year on Hainan Island. They are: 1) The exploitation of an opencut coal mine; 2) The project for 50 kilometers of (Xi Huan) railway; 3) The expansion of three ports in Haikou City; 4) The construction of a deepwater port in (Yangpu); 5) The construction of postal and telecommunications services; 6) The construction of a large textile factory in Haikou; 7) The construction of a guesthouse in Haikou and in Sanya; 8) The project of building seven sugar refineries and expanding nine sugar refineries in Haikou and other areas; 9) The project of erecting power transmission lines between Wanning, Lingshui, and Sanya; and 10) The construction of Hainan University. All 10 projects will be under construction with direct financial aid from the central and provincial authorities. [Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 30 May 83 HK]

HUBEI STATE PROJECTS--Hubei Province has speeded up the building of a number of state key projects and the perfecting of existing state key projects. These state key projects include the Gezhouba hydroelectricity station, the key Wuhan long-distance communications project and the 500,000-volt extrahigh tension electricity transmission and transformer projects for the areas from Gezhouba to Wuchang. [HK280647 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 24 May 83 HK]

CSO: 4006/569



## DOMESTIC TRADE

### SHANGHAI HOLDS MARKET MANAGEMENT MEETING

OW300502 Shanghai City Service in Mandarin 1100 GMT 28 May 83

[Excerpts] The Finance and Trade Office of the Shanghai Municipal People's Government held a municipal meeting of financial trade cadres this morning to analyze the market situation and to make arrangements for the supply of commodities. Ye Gongqi, vice mayor, and Pei Xianbai, adviser to the municipal people's government, attended and addressed the meeting.

At the meeting, (Lu Maoyun), deputy director of the municipal finance and trade office, made a report on how to effectively implement the State Council's circular on the strengthening of market management and price control and on making arrangements for the supply of commodities during the current period and in the coming winter-spring period.

In the report, (Lu Maoyun) called on all departments in the municipality to conscientiously implement the State Council's circular on the strengthening of market management and price control and to resolutely put an end to fraudulently buying and selling goods in short supply. Since the beginning of this year, there have been various economic elements, channels of circulation and forms of business operations with the relaxation of policy restrictions. As a result, the market is brisker than before and prices basically remain stable. This is the main trend. There are still more problems, however, in market management and price control. The outstanding problem is that some people fraudulently buy goods in short supply from retail shops and immediately sell them. They used to illegally buy and sell high quality cigarettes, but now they fraudulently buy and sell beer, camphor balls and other goods in short supply. Such illegal buying and selling activities have directly affected the normal supply of goods used daily by city residents and have disrupted market prices.

To strengthen market management and price control, it is first necessary to resolutely put an end to such illegal buying and selling activities. Market management departments should strengthen their inspection. Whoever is discovered seeking exorbitant profits by fraudulently buying goods from

retail shops and selling them at a higher price should be sternly dealt with. Retail shops should strictly guard against such illegal buying activities. If retail shops do things which they know are wrong, or even collude them with people who fraudulently buy and sell goods, they should also be investigated and dealt with. Selling and buying ration coupons must be resolutely banned. Tax collection must be stepped up and tax evasion must be resolutely checked. Industrial and commercial administration, tax and price control departments should also effectively strengthen their inspection, supervision and management and investigate and handle problems whenever discovered.

CSO: 4006/570

## DOMESTIC TRADE

### BRIEFS

SICHUAN SUPPLY, MARKETING CONFEDERATION--Chengdu, 25 May (XINHUA)--The Sichuan Provincial Supply and Marketing Confederation was established in Chengdu on 25 May. More than 500 representatives of county supply and marketing confederations from all parts of the province elected the first council of the provincial supply and marketing confederation. [Excerpt]  
[Beijing XINHUA Domestic Service in Chinese 1209 GMT 25 May 83 OW]

CSO: 4006/569

## FOREIGN TRADE

### HUBEI ECONOMIC, TECHNICAL COOPERATION TALKS

HK231415 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 20 May 83

[Summary] The Hubei provincial talks on international economic and technical cooperation lasted 20 days and concluded in Wuhan this afternoon. Guo Zhenqian, vice governor and deputy head of the provincial international economic and technical cooperation talks leadership group, talked to press circles about this. He said: "The anticipated aim of these talks has been achieved. At the beginning of March this year, Hubei Province formally announced to foreign firms information about the holding of the talks. Governor Huang Zhizhen talked to a reporter of ZHONGGUO JINJI XINWEN [CHINA ECONOMIC NEWS]. He briefly introduced 115 items which were prepared for the talks. The necessary attention of international economic and trade circles and financial circles was drawn to this. Over the past 2 months, approximately 200 companies and banks have expressed their willingness to come to Hubei to carry on negotiations on economic and technical cooperation. To date, representatives from some 170 companies and banks in 18 countries, Hong Kong and Macao and commercial counsellors and representatives of the embassies of some countries in our country, totalling 400 people, have contacted and negotiated with some 150 enterprises in our province. Contacts have been made and talks have been held on the 115 items which were announced to foreign firms. As a result of these talks between both sides, notices of intention or memoranda on 55 items were signed. During this period, agreements on 11 items and contracts on 8 items were signed. Moreover, 26 travelling traders carried out 14 exchanges on textile, light industrial, electronic, machine building, agricultural and chemical industrial trades. The volume of exports transacted was \$10 million."

Guo Zhenqian said: "Through these talks, both sides have deepened mutual understanding, gone toward cooperation, and created favorable conditions for further carrying on economic, technical, and trade cooperation. Although the talks concluded, the economic, technical, and trade cooperation between Hubei Province and other countries and regions is only the beginning. At an appropriate time, we shall announce to foreign firms the second batches of economic and technical cooperation items. Figures from industrial and commercial circles, entrepreneurs, and financiers of all friendly countries and regions are welcomed to Hubei to hold negotiations on cooperative work."

CSO: 4006/555

FOREIGN TRADE

MACHINE BUILDING ENTERPRISES GET EXPORT LICENCES

OW261349 Beijing XINHUA in English 1242 GMT 26 May 83

[Text] Beijing, 26 May (XINHUA)--One hundred and three Chinese machine building enterprises are now empowered to independently export their products under the guidance of state planning.

These factories produce a wide range of products, including machine tools, meters and instruments, motor vehicles and electrical engineering facilities, Ministry of Machine Building sources said. Part of the earned foreign exchange may be retained for their own use, to import things not readily available in China--materials, inspection and testing instruments, sample machines--and to cover the expenses of business tours of their personnel abroad.

A group of 28 factories and five combines were first to give such independence in 1980, Ministry of Machine Building sources said, and the state has designated 70 others for it since the beginning of this year.

Up to now, the majority of Chinese factories have had to sell their products to departments of foreign trade, which in turn undertake to export them. This way of doing things, sources said, is now considered too rigid.

The new measure is expected to encourage factories to strive to be more competitive on the world market, sources said.

CSO: 4006/547

## FOREIGN TRADE

### SHANGHAI ECONOMIC, TECHNICAL CORPORATION SET UP

OW250325 Shanghai JIEFANG RIBAO in Chinese 20 May 83 p 2

[Excerpts] The chairman of the board and concurrently general manager of the newly founded China Shanghai Economical and Technical Corporation for Cooperation with Foreign Countries on 19 May described to a reporter of this paper the corporation's aims, methods of operation, scope of business, capacity and tasks. He noted that the corporation has been busy doing business with foreign countries since its founding and has already signed several economic and technical cooperation contracts with a number of countries including the United States and Nigeria.

The corporation was set up to strengthen international economical and technical cooperation, give full play to the favorable conditions in Shanghai, whip up the enthusiasm of economic and technical departments in Shanghai and vigorously promote economical and technical cooperation with foreign countries. It was founded by the Ministry of Foreign Economic Relations and Trade and the Shanghai Municipal People's government, after joint study and by joint decision, and with the approval of the State Council. Comrade Jiang Chunze was appointed chairman of the board and concurrently general manager of the corporation.

The scope of business of the corporation includes various types of construction work such as light industry, textile mills, chemical works, petroleum processing, pharmaceutical plants, construction materials manufacturing, metallurgical industry, machine manufacturing, shipbuilding, electronic instruments and meters manufacturing, and power industry; the building of conference halls, guest houses, hospitals, cultural facilities, housing and offices; the building of city roads, highways, bridges, tunnels, ports, wharfs and airfields; landscaping work in the city; the building and development of reclamation areas, rice farms, farmland irrigation works, fresh-water fish raising and maritime fishery; and the building of cold storage and other projects for foreign countries.

CSO: 4006/555

## FOREIGN TRADE

### BRIEFS

HUBEI DISCUSSES INTERNATIONAL ECONOMIC PROJECTS--Wuhan, 20 May (XINHUA)-- Letters of intent and memorandums on 55 industrial projects and contracts on eight others have been signed between Hubei provincial authorities and Hong Kong, Macao and foreign firms during an international economic and technical cooperation discussion which ended today. In addition, according to Deputy Governor Guo Zhenqian, 11 projects were initiated during the Hubei discussion, which considered 115 projects to solicit imported capital. Import and export transactions worth U.S.\$10 million were concluded. The discussion opened 30 April. Representatives of 170 firms in Hong Kong, Macao and 18 foreign countries attended the discussion. Also attending were foreign embassy officials posted in China. The province now plans to propose the second group of projects inviting Hong Kong, Macao and foreign investment, Guo Zhenqian said. [Text] [OW210253 Beijing XINHUA in English 1912 GMT 20 May 83]

ZHUHAI FOREIGN TRADE--Zhuhai City has achieved new progress in developing foreign trade. By the end of April, the city fulfilled 51.5 percent of the yearly plan for purchase amount in foreign trade, an increase of 11.7 percent over the corresponding period last year, and fulfilled 60.4 percent of the yearly plan for export amount, an increase of 14.2 percent over the corresponding period last year. [HK280639 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 15 May 83 HK]

CSO: 4006/569

## LABOR AND WAGES

### COMPLAINTS OF DISCRIMINATION AGAINST WOMEN AIRED

Report from Qinghai

Beijing GONGREN RIBAO in Chinese 31 Mar 83 p 1

/Report from the Qinghai Reporter's Station: "The Style of Discriminating Against Female Staff Members and Workers in Housing Distribution Should Be Corrected"

/Text/ In distributing housing quarters, some industrial and communications units in Qinghai Province stated in writing that "men are the primary consideration." This caused the dissatisfaction of the female staff members and workers. Recently, the Women's Work Department of the Qinghai Provincial Federation of Trade Unions conducted a special topic investigation on 10 units and pointed out afterwards that this unreasonable method of housing distribution must be corrected immediately.

The investigation on the condition of distributing housing quarters of the provincial textile industrial company, the provincial No. 1 construction company, the Xining Municipal Telegraph Bureau and seven other units clearly indicated that: With the exception of one unit, the other nine units all stated in writing that "men are the primary consideration." Although the ratio of female staff members and workers at the Xining Municipal Telegraph Bureau is great, yet the detailed rules and regulations of housing distribution issued in 1982 by this bureau stipulated that: "The formal male staff members and workers who joined the bureau before 1 November 1980 have the right to apply for distribution of the new housing quarters." This shoved aside the female staff members and workers who were working hard day and night. One female worker in the Qinghai down processing factory had joined the factory for 25 years, had all along worked in the down selection workshop under difficult working conditions and had made contributions to the factory. She saw with her own eyes group after group of new houses being built on the factory site. But because she is a female worker, she was never given a house in the distribution. Under the regulation that "men are the primary consideration" in housing distribution, some units did not distribute housing quarters to those female staff members and workers whose spouses were not in Xining or to female staff members and workers who were single; or these women were given only the worn and old houses. Many female workers angrily said: "Even the Constitution says that men and women are equal. Why are we female workers inferior when it comes to housing distribution?"



The Women's Work Department of the Qinghai Provincial Federation of Trade Unions emphasized that: The All-China Federation of Trade Unions and the State General Bureau of City Construction have very early on stated clearly in the notice concerning how to do well the work of distribution of housing quarters for the staff members and workers of the factories and mining enterprises that: Male and female staff members and workers enjoy equal rights in applying for housing quarters." The method of "men are the primary consideration" in distributing housing quarters which some units practice is unreasonable and must be corrected.

#### Report from Jiangsu

Beijing CONGREN RIBAO in Chinese 31 Mar 83 p 1

/Report by the Women's Work Department of the Jiangsu Provincial Federation of Trade Unions: "The Labor Protection for Female Workers Needs Urgently to be Improved"

/Text/ Presently, there are over 379,000 female staff members and workers in Nanjing city, which make up 40 percent of the total number of staff members and workers in the municipality. Due to all kinds of reasons, including traditional prejudice, we have not paid adequate attention to the proper rights and interests of the female staff members and workers. The state has issued a series of regulations concerning labor protection for female workers, but till the present, these regulations have not been implemented in many units. Especially in those enterprises where there is a higher concentration of female workers, the enterprises have not implemented measures toward pregnant and lactating female workers in accordance with the concerned labor protection regulations. Some factories do not have restrooms for pregnant women and no rest areas inside the workshops. Some female workers who live far away from home are unable to nurse their babies for 8 hours, and are not guaranteed the legally stipulated time for nursing. In some units in the chemical industrial system, due to facilities that are in poor condition, the poisonous and harmful gases not only affect the health of the female workers but also seriously affect the next generation.

In order to protect the health of the female workers and the next generation, we propose that:

I. The various concerned departments must conduct an inspection on the condition of implementation of such facilities as nursing room and sanitation room in a production unit and the condition of protection for the "four terms" of the female workers in accordance with the state rules and regulations concerning labor protection. Those that do not meet the regulations must make improvements within a fixed period of time, and those that do not have the above facilities must grasp construction firmly.

II. Attach importance to and protect the proper rights and interests of the female workers, oppose feudal thinking, truly abide by the principle of quality among men and women and equal pay for equal work, treat everyone

alike in recruiting workers, promotion, allocation of funds, assessment and selection of the advanced and housing distribution. We must sternly handle those acts of discriminating against and abusing female staff members and workers.

III. Conscientiously select and equip female staff members and workers and cadres. In accordance with the demands of the "four revolutionizations" of cadres, strengthen the work posts on women's work with middle aged and young cadres who have a sound ideology, who maintain a proper style, who work hard, who are able to closely integrate with the masses and who have independent working ability. The trade unions at various levels must take into consideration the various realities in setting up working committees on women's work or women's work groups. Those who have the condition to do so must be equipped with full time women's work cadres.

IV. The leadership at various levels must vigorously attach importance to and support the work on women's work and put the work on women's work on their daily agenda.

#### Letter from Harbin

Beijing GONGREN RIBAO in Chinese 31 Mar 83 p 1

/Text/ Comrade Editor:

At present, in carrying out reform, some factories and enterprises do not attach importance to the work of protecting the female staff members and workers. This is primarily manifested in the following: I. In contracting work, some units suspect the female comrades do not do as well as their male counterparts and simply "cast off" the female comrades. II. Some units feel that female staff members and workers who are mothers and whose health is poor are "burdens." The leadership gives them a portion of their wages and sends them home. Sometimes, it even sends them home without wages. III. Some have abolished the nurseries and labor protection remunerations. Some even distribute the public fund and medical fund equally among individuals and everyone gets 2 yuan. In short, we feel that these are not in accordance with the demands of the system of a socialist country. For this reason, we are appealing to this newspaper in the hope of getting the attention of the leadership at various levels in further protecting the designated rights and interests of the broad masses of female staff members and workers. (By Cui Enjia /1508 1869 0502/ and Feng Yan /6646 7159/ of the Women's Work Department of the Harbin Municipal Federation of Trade Unions)

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CSO: 4006/476

## LABOR AND WAGES

### FLOATING WAGE SYSTEM DEFENDED BY MINISTER

Beijing GONGREN RIBAO in Chinese 15 Mar 83 p 2

/Article by Zhao Shouyi, Minister of the Ministry of Labor and Personnel:  
"Floating Wage is the Orientation in the Reform of the Wage System"

/Text/ Floating Wage Has Fully Embodied the Principle of Distribution According to Work.

This term "floating wage" allegedly has never appeared in the Marxist-Leninist classics. We can say that this is a creation of the people of our country and a creation of the wage workers.

The so-called floating wage refers to the following: Wages, high or low, shift with the good or poor condition of the enterprise's business and with the good and poor quality of labor of the staff members and workers. At the same time, it corresponds to the floating of prices. The floating wage that is being implemented presently takes the following forms: That which is linked with production, that which is linked with benefits, that which is linked with the various economic targets, that which involves the floating of the total labor remunerations, that which involves the floating of part of the labor remunerations, that which involves the floating of a portion of the basic wages with bonuses and allowances, that which involves wage levels that can be adjusted upward and downward, that which involves the floating promotion within an enterprise, and that which implements job wages that can be adjusted upward and downward. In some units in particular, we can also implement the floating payment partly in kind and partly in cash from the total amount of wages and the payment partly in kind and partly in cash from the wage fund. In spite of the diverse forms, there is only one essence, and that is, to strive to better realize the socialist principle of distribution according to work.

Some people feel that floating wage will bring about "great disparity" and create "polarization" and an unreasonable and unequal state. We say that polarization will not take place under the prerequisite of the socialist system of public ownership of production materials. Practice has also proven that polarization did not take place in the past when some people's wages were higher than others. In principle, the socialist floating wages are equal since remuneration equates labor. However, in practice, they are unequal since the

specific situation of each individual is different. Some people have higher ability and perform labor well while others have lower ability and perform labor poorly. Some people are married while others are not. Some people have more mouths to feed and shoulder heavier burdens while others have fewer mouths to feed and shoulder lighter burdens, and so on and so forth. Such inequality in reality is inevitable in the socialist period. Some people do not approve of floating wage and are reluctant to give up "the same big pot," and still want to engage in egalitarianism. What is egalitarianism? It means that "it makes no difference if one does more or does less, if one has better skills or poorer skills, and if one works at on production line or two production lines." It means "it is tough for those who work hard, it fosters laziness and it benefits those who are mischievous." The root of egalitarianism is the ideological form of the individual peasants, is the psychology of dividing up all wealth equally, and is the psychology of the primitive peasant communism. Egalitarianism has absolutely nothing in common with the Marxist socialism.

#### Floating Wage and the System of Responsibility in Contracting Management

The wage level is determined by the production level. Wages must increase with the increase in production. The increase must not be too much or too little. If we handle properly the proportionate relationship between accumulation and consumption and between labor productivity and wage increase, then we can enable wages to continuously increase with the increase in production, and can promote production as well as improve the people's livelihood. Of course, the scope of wage increase must be lower than the scope of increase of labor productivity before we can correctly handle the relationship between accumulation and consumption.

At present, we are promoting the various forms of the system of responsibility in contracting step by step. Whether we are implementing contracting management or implementing substitution of taxes for profits, progressively increasing payment partly in kind and partly in cash of profits and profit retention, in appraising and deciding on the proportion between the base contracting figure and division of profits, we must take into consideration the interests of the state, the enterprise and the individual and make sure that the state gets the big share, the enterprise gets the medium share, and the individual gets the small share.

What is the basis for figuring out whether the floating wage is reasonable or unreasonable? The basis is whether or not the base figure of the various targets in the system of responsibility in contracting management by the enterprise and the staff members and workers is appropriately and reasonably fixed. If the contracting is reasonable, the floating wage will be reasonable; if the contracting is unreasonable, the floating wage will be unreasonable. If we do not conduct conscientious assessment on the enterprise and the labor of the staff members and workers, and if we do not have the scientific basis for measuring enterprise management and the labor of the staff members and workers, then we will not have the basis for floating wage and distribution according to work. Thus, we must strictly stipulate the economic responsibility which the enterprise should shoulder toward the state. The enterprise must guarantee the fulfillment of the various economic targets of the state. The various

offices, workshops, groups and individuals must perfect their assessment and management systems. In particular, they must draw up a management system of fixed amount of labor by fixed number of workers. In this way, we can change the backward state in which we do not have fixed number of workers in production and in which we do not have fixed amount of labor, and truly attain a state in which "there will be people to shoulder the burden of 1,000 jin and there will be targets on everybody's shoulder." Only in this way can we carry out contracting properly and carry out floating wages properly. The system of responsibility in management of a city enterprise is a very meticulous and scientific system of management. If we do not have such a system of responsibility in management, we will not be able to carry out work properly and will not be able to carry out floating wage properly.

In terms of distribution, floating wage also narrows the gap between the enterprises under the system of ownership by the whole people and the enterprises under the system of ownership by the collective. It is favorable to the reform of the labor system and is favorable to overcoming the phenomenon in which some people are only willing to go for the whole people and not willing to go for the collective. If we further implement floating payment partly in kind and partly in cash from the total amount of wages, we can shatter the centralized contracting and centralized distribution of the labor force of an enterprise. This way, we can vitalize the wage system, the labor system and the personnel system of the enterprise.

#### Floating Wage is the Orientation in the Reform of the Wage System

Floating wage is created by the masses. Its powerful life force lies in the fact that: (1) It is able to promote the consolidation, perfection and raising of the various systems of responsibility in contracting management; (2) it is able to better realize the principle of distribution according to work and overcome egalitarianism; (3) it is able to mobilize to the greatest extent possible the enthusiasm of the staff members and workers, and award the industrious and penalize the lazy; (4) it is able to promote production development and greatly raise economic results; (5) it is able to push the reform of the labor, personnel and other systems; (6) it is able to increase the state's financial revenue and improve the livelihood of the staff members and workers; (7) it is able to promote the upward development of the party style and the social morale; (8) it is able to bring forth talented personnel in the practice of the wage reform. In sum, it can create a set of new wage system that embraces Chinese characteristics, and is the orientation in the reform of the wage system.

In promoting floating wage, we must proceed from reality and prevent severing with one blow. Floating wage is advancing through exploration and still does not have a unified mode. Thus, we must carry out penetrating investigations and study. Different enterprises must take into consideration their different characteristics and adopt different systems of responsibility in contracting management and implement different methods of floating wage. We must continue to set up trial points, conscientiously sum up experiences and promote experiences gradually. We must prevent those enterprises that are not

equipped with the proper factors to seize the opportunity to "develop a big appetite and eat out of the same big pot," issue bonuses indiscriminately and reduce the state's financial revenue.

At present, the situation of reform is excellent. We must carry out reform resolutely step by step, and take each step steadily in creating a new state in the wage reform.

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CSO: 4006/476

## LABOR AND WAGES

### GUANGMING RIBAO ON ISSUE OF FLOATING WAGES

HK271015 Beijing GUANGMING RIBAO in Chinese 8 May 83 p 3

[Article by Chu Tan (2806 2232): "Different Opinions on the Issue of Floating Wages"]

[Text] Recently, the issue of the practice of floating wages in the reform of the wage system has attracted the concern and attention of economic theorists and practical workers in the capital, and a series of discussions has been going on. A summing-up of various opinions follows:

#### What Is Meant By Floating Wages?

Many comrades hold that so-called floating wages is a system in which work payment will float with the efficiency of the management of the enterprise and the labor contributions of the workers and staff of the enterprise. However, in its detailed explanation there is diverse understanding.

One opinion holds that the form of floating wages varies, such as: the floating of the bonus only; the floating of a portion of the standard wage with the bonus; the floating of the entire wage, bonus, and allowance bound together; the practice of piece rate wages; the practice of floating wage standard or floating promotion; and the practice of sharing labour bonus. These may all be called floating wages.

Another opinion holds that we should not label any change of work payment as floating wages. Piece rate wages vary; however, they do not have to be linked with the efficiency of the management of the enterprise. So they should not be confused with floating wages. It is necessary to avoid bringing into the realm of floating wages the portion of income of workers that should not be floated (such as welfare benefits, price allowance, transportation allowance, and underground mining allowance).

Still a third group of comrades hold that the appropriate form of link between work payment in enterprises of ownership by the whole people and the efficiency of management of the enterprises should be sharing a bonus out of the profit. If the management of the enterprise is efficient, more bonus fund should be left for the enterprise, and vice versa, so as to encourage the enterprise and its workers to exert their efforts to

improve their management. There is a difference between bonus and wages: wages should be included in the cost of production, while bonus should not. It seems more scientific in some countries to practice the system of base wages plus bonus (the increase of base wages should have some relation to the efficiency of the enterprise).

#### The Relation of Floating Wages to Distribution According to Work

Many comrades are of the opinion that in implementing the principle of distribution according to work, it is necessary to overcome not only equalitarinaism, which finds expression in the sametreatment for everyone within the enterprise, whether he is efficient or not, but also equalitarianism among enterprises, which finds expression in making no discrimination between enterprises whether they are efficient or not. Work payment should be higher in those enterprises which are efficient in management and are making greater contributions to the nation, and vice versa, because the efficiency and contributions of an enterprise to a certain degree reflect the quality and efficiency of the labor of all the workers and staff of the enterprise. Linking work payment with efficiency of management is to carrying the principle of distribution according to work. Some comrades even emphasize that "floating wages is a synonym for distribution according to work."

However, some comrades hold that the judgement of the economic effectiveness of an enterprise is in most cases based on its profit. However, the profit of an enterprise is not simply the outcome of the subjective efforts of the enterprise; there are objective factors to be considered, such as the effect of prices, differences in production conditions and so on. If the state is good at making use of economic levers in moderating the gains among enterprises of the same trade or at establishing different methods appraisal, it might to some degree reduce the irrational difference in gains among various enterprises. It should be seen, however, that it is impossible to completely dispel the effects on distribution of nonlabor factors such as production conditions and prices. To practice floating wages is in effect to give tacit consent to and to make use of the above-mentioned nonlabor factors to encourage the enterprises in striving for better economic results. This is unavoidable at the present state. If we neglect such conditions, and say that floating wages is "a synonym for distribution according to work," it will not be theoretically correct.

#### Is It Possible to Practice "Complete Floating" and Abolish Base Wages?

A minority of comrades are for "complete floating," that is, making the whole of work payment float in line with the efficiency of management of the enterprise, and abolishing basic wages. They hold that "complete floating" will bring into full play the initiative of floating wages and play a role in upgrading economic results.

A majority of comrades hold that in principle it is feasible for enterprises of collective ownership to practice "complete floating." Gains derived from the differences in production conditions among enterprises



should belong to each enterprise. However, the means of production in enterprises of ownership by the whole people belong to the whole people. In principle, gains derived from the differences in production conditions among such enterprises should go to the state. Within the realm of economy of ownership by the whole people, the principle of equal pay for equal work should still be practiced, and flexibility should be allowed to a certain degree in practicing partial floating wages. Therefore, under ordinary conditions, in enterprises of ownership by the whole people (especially large and medium-sized enterprises), basic wages should not be abolished. Generally speaking, floating wages should only cover a proportion of work payment. Otherwise, the abolition will cause a lot of problems. For example, it will be difficult for the state to moderate the relationship of wages among departments, districts, and enterprises; and the implementation of the guiding principle of planned economy will meet with a lot of difficulties, and so on.

Some comrades hold that at present, some individual enterprises are practicing floating wage standards, that is, the standard wage of a certain level is subdivided into several steps, such as a, b, c, d, and so on. High efficiency in management will mean a higher step, and vice versa. This kind of floating does not abolish basic wages, but a certain degree of flexibility is allowed in implementing wage standards. This may be carried out on a trial basis if the masses approve of it.

#### Relationship Between the Floating of Total Wages of Enterprises and Planned Control by the State

Some comrades have expressed strongly the view that the practice of floating wages will necessarily involve the floating of the total wages of the enterprise in accordance with the efficiency of the enterprise. At present, the total wages and bonus of enterprises are limited by the state, and they must not be changed over a couple of years. Floating wages within an enterprise will only be practiced within the limit of the total wages and bonus. This will play a certain role in overcoming equalitarianism, but does not conform to the principle of the gradual growth of work payment in accordance with the development of production and the rise of labor productivity. It will not be easy to persist in its implementation for long.

It is unanimously held that while the floating of the total wages in enterprise should be allowed, the state should carry out strict control on a macroscopic level. A lack of efficient planned control will bring great danger. However, under normal conditions, planned control should not rely solely on the administrative methods; attention should also be given to economic methods.

It is proposed by some comrades that it is necessary to study and to determine an appropriate ratio between the speed of growth of national revenue and the growing speed of growth of total wages, according to the situation of the state. On this basis, target control would be carried out over various trades in line with the characteristics of each. For

some enterprises, control would be carried out in accordance with a certain ratio between the speed of growth in the value of products and the speed of growth of total wages; for others, control would be carried out in accordance with their output (such as in the coal and petroleum industries), with the amount of work (such as in the construction industry), and with the ration of wages to overall costs such as in transportation; and for still others, control would be carried out in accordance with the ratio of the speed of growth of tax and profits per capita, or the speed of growth of tax and profits turned in to the state, to the speed of growth of wages per capita, and so on. Any method should be carried out on a trial basis and gradually perfected. The control method of some countries in making use of the lever of taxation is worth our taking note of. Probably it is preferable to the purely administrative method.

### The Role of Floating Wages in the Reform of the Wage System

Some comrades hold that the practice of floating wages is the basic orientation of the reform of the wage system in economic enterprises. In the past, the chief abuses existing in the wage system in enterprises were: First, the state allowed enterprises to eat from the same big pot, and equalitarianism prevailed, disregarding the differences in efficiency of management among enterprises. Second, the enterprises allowed everybody to eat from the same big pot, and equalitarianism again prevailed, disregarding the differences in efficiency of the individual workers within the enterprises. The practice of floating wages is a very effective method to overcoming the above-mentioned manifestations of equalitarianism, and will bring into full play the role of wages as an economic lever. It will be greatly advantageous in achieving better economic results. And the reform of the wage system must continue in the direction of achieving better economic results.

Some comrades hold that floating wages do have great merits, but judging from most units which already have been practicing the system, floating wages cover only a portion of work payment of workers and staff of enterprises. So whether this system is adaptable to state organs and institutions remains to be studied. The practice of floating wages will not solve all problems in the reform of the wage system; however, it can be regarded as a breakthrough in the present reform of the wage system. So long as the methods of practicing floating wages are appropriate, wages, it should not have to add a financial burden. It is proposed that we strive in a determined way for the universal practice of partial floating wages in industrial and transportation enterprises to be implemented step by step within a few years, under leadership.

While other comrades hold that whether floating wages (to be exact, it should be floating work payment or income) should become the direction of the reform in the wage system of state-owned enterprises remains to be seriously considered, at present, much of the attention and criticism of the broad masses of workers and staff is focused on the irrationality of basic wages. In the reform of the wage system, attention should be mainly attached to the aspect of basic wages (technical grades and wage grades, regular appraisal system, normal promotion system, position or post wage system, the wage difference between grades and starting wage of the lowest grade, work quotas, and so on) and we should strive to make work and pay fundamentally conform.

## LABOR AND WAGES

### RAILWAY WORKER'S BENEFIT CHANGES REPORTED

Beijing GONGREN RIBAO in Chinese 8 Feb 83 p 1

/Article by reporter Xu Zhijie /6079 1807 2638/: "A Reform in the Work of Subsidy for Staff Members and Workers with Material Difficulties"

/Text/ The labor union organization of the Qiqihar railroad bureau system changed the subsidy for staff members and workers with material difficulties to loans in order to assist the families with priority material difficulties to develop family sideline production and enabled half of the families with material difficulties throughout the bureau which enjoyed year-round subsidies to raise their income and improve livelihood.

The Qiqihar railroad bureau has some 290 families with material difficulties that need year-round subsidies. It also has over 14,100 staff members and workers that need temporary subsidies. Together they make up 15 percent of the total number of staff members and workers throughout the entire bureau. There are generally two categories of families with material difficulties. One category includes families that have many members and little income. The other category includes special families with material difficulties of the injured, the sick, the handicapped, the orphaned and the widowed. Every year, the labor union has to take some 700,000 yuan from the welfare fund of the staff members and workers and use them as subsidies for those with material difficulties. Still, this can only handle emergency and cannot solve the major problem.

The staff members and workers whose livelihood is difficult all have strong desire to change their outlook of poverty. They ask the labor union to use the subsidies as loans to concentrate on assisting the families with material difficulties in developing family sideline production and solve the difficulties in livelihood through self reliance. Through repeated studies, the bureau labor union in 1981 decided to put the focus of the work of subsidy for those with material difficulties on supporting the families with material difficulties in developing sideline production. Many families with material difficulties took the initiative to sign "emancipation contracts" with the labor union. The unions at various levels conducted investigations conscientiously and extended loans in light of different situations. In just 1 year, the unions at various levels throughout the bureau drew 28,400 yuan from the subsidies for those with material difficulties and mutual-aid savings, as well as used other forms such as providing breeding livestock, seeds, technology and other equipment to

support a total of some 500 families of staff members and workers and their dependents in carrying out family livestock breeding, crop cultivation, commerce, service trade and other sideline production. In 1 year, the families with material difficulties which received loans from the bureau labor union did not need subsidy anymore. The majority of them have even repaid the loans, have surplus money and have improved their livelihood.

This way, we have also solved the employment problem of a portion of the unemployed young people and idle labor force. At the same time, we have also created wealth for the state, enlivened the market and played a supplementary role to the state run enterprises and the collective economy. The individual commercial service trades in sales of goods, sewing, photography and non-staple foods that are set up in some remote areas have filled the inadequacy of the commercial service network outlets along the railroad lines and have made things convenient for the masses.

Recently, the CPC Heilongjiang Provincial Committee issued a document asking the various trades and undertakings in the city to vigorously promote this experience of the Qiqihar railroad bureau labor union. The document said: "We must be able to see that this is a party's work which the city industrial and mining enterprises must not ignore. We must take the labor union as the leading factor and do this work well, and must bring about results."

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CSO: 4006/476

## LABOR AND WAGES

### ASSISTANT ENGINEER'S CASE REDRESSED

Beijing GONGREN RIBAO in Chinese 11 Feb 83 p 1

/Report by Chen Deren /7115 1795 0088/, Shao Lei /6730 7191/ and Zhang Fan /1728 1581/: "The Attack of Hao Yuping's Sparetime Employment Is Corrected"

/Text/ On 28 December last year, this paper and GUANGMING RIBAO put forth a criticism on the attack against assistant engineer Hao Yuping's sparetime employment. The following day, Duan Junyi, 1st secretary of the Beijing municipal party committee, issued a directive. The municipal economic committee swiftly dispatched an investigation group to conduct investigation and understanding in a penetrating manner. In the afternoon of 9 February, the Beijing motion picture mechanics research institute convened a rally for scientific and technological personnel, and affirmed that Hao Yuping, who used his sparetime to offer technological service to "Seagull Service," an educated youth enterprise, was acting in accordance with the principle and policy of the party Central Committee, that what he did was favorable to the educated young people, favorable to society and favorable to the four modernizations, and that he did not commit any "economic crimes."

The meeting announced that the 282 yuan of remuneration which the "Seagull Service" paid to Hao Yuping were the income of his labor and should all be returned to him. The 2 months' awards which were withheld during the period when Hao Yuping was under investigation were all returned to him. The party general branch of the institute made objective assessments on Hao Yuping's demand on himself in making progress politically, on his effort to master his skills in work and on the achievements he had scored in the several years since he joined the institute. It also announced publicly that it will destroy the concerned materials of investigation on Hao and go to the unit where Hao Yuping's wife works to eliminate the effect of the investigation there.

Liu Cai, vice chairman of the political department of the Beijing municipal economic committee, and Gao Guangzhi, deputy secretary of the disciplinary committee of the municipal meters bureau, spoke successively at the meeting. They sternly criticized the individual responsible persons of this research institute, who abused their power and refused to carry out accurate criticisms and who carried out non-organizational activities that violated the party's principles and policies. They asked that the party general branch of that

institute conduct education on these people and handle them accordingly. The conference asked the scientific and technological personnel of the factory to emancipate their thinking, give full play to their own wisdom and intelligence and render their strength to building a powerful socialist country that embraces Chinese characteristics. In his speech, Hao Yuping conducted self-criticism on his own acts of swearing at people during the period when he was under investigation, and expressed his readiness to strengthen his organizational concept, to strive to be the promoter in reform and, with practical action, to strive to join the CPC at an early date.

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CSO: 4006/476

## LABOR AND WAGES

### OVERTIME PROBLEMS DISCUSSED

Beijing GONGREN RIBAO in Chinese 26 Mar 83 p 1

/Report: "Be Concerned About the Worker's Health and Do Not Issue Overtime Arbitrarily"

/Text/ EDITOR'S NOTE: Article 43 of Chapter 2 of our new Constitution stipulated that: "Working people in the People's Republic of China have the right to rest." As early as 21 December 1960, in the notice on persevering in the 8-hour work system in the city, the CPC Central Committee pointed out that, under general circumstances, all units and all departments in the various cities throughout the country, without exception, must strictly implement the 8-hour work system. They are not allowed to issue overtime arbitrarily and are not allowed to invade and occupy arbitrarily the after work rest time of the cadres and masses. Toward those responsible persons or units that refused to mend their ways despite repeated admonition, we should impose the necessary disciplinary action. In February and April of 1978, with the approval of the State Council, the former state general bureau of labor once again dispatched a notice and a supplementary notice, which clearly proposed that the enterprise must carry out production normally and in a planned manner, raise labor efficiency and impose strict control over overtime for staff members and workers, so as to guarantee the physical health of the staff members and workers.

Recently, for a period of time, this paper has continuously received letters from worker-readers. These letters reflected the fact that the units in which they worked arbitrarily commanded workers to work overtime. The two letters from workers which we are publishing today are two of these examples. These two factories have totally violated the series of concerned regulations by the party and the state. We hope that these incidents can arouse the attention of the concerned leading departments of Beijing and Shijiazhuang municipalities, and can be corrected immediately. We further hope that the labor union organizations at various levels throughout the country will conscientiously concern themselves with this problem, investigate and study the concerned situations, actively reflect

them to the concerned party, administrative and government departments, boldly speak up for the workers and conscientiously study measures of improvement.

Comrade Editor:

The frequent and long overtime of the Dongfeng clothing factory in Changping County in Beijing Municipality is well-known throughout the county. In the fourth quarter of last year, we worked overtime almost everyday. Generally, we worked 4 hours of overtime, or as many as 6 to 7 hours. Sometimes we worked from 8 in the morning until 1 to 2 A.M. the next morning, and then had to work that same day. Our factory never had breaks during work and sports activities. Now the factory has again asked us to work overtime. Like last year, everyday we have to work 4 or more hours of overtime. If there is a power shortage, then all the tougher for us. The factory leadership would ask us to work 16 hours the following day so as to turn out all the work that was held up by the power shortage of the preceding day. In working overtime like this, the factory not only did not consider accumulated rest time, but also did not consider make up rest time, and we were given a few jiao everyday. The factory stipulated that the workers would be paid 80 percent of the wages if they fulfilled the quota and that they would be paid the remaining 20 percent if they overfulfilled the quota by 60 percent.

This regulation thus inevitably forced the workers to work overtime indefinitely, or else the workers would not even be able to obtain their wages. When the staff members and workers are ill, even the note on sick leave which the county hospital writes has to be approved by the head of the workshop or the head of the factory. Consequently, many people who are sick have to persist in work.

In this factory, the majority are female workers. The frequent overtime has brought about many problems: First, workers who live in the city of Beijing are unable to go home over a long period of time, and are unable to attend to their children and household chores. Sometimes, their spouses will come to the factory to demand their spouse's return, and family disputes will take place. Secondly, the female workers who do not have anybody at home to take care of their children will have to take their children to the factory and let their children sleep on the little stools. This harms the health of the women and the children. Thirdly, the pregnant female workers have not received care. Several female workers have suffered from miscarriage due to overwork. Fourthly, not having time to study, the workers are unable to raise their political and technological levels.

We appeal to the concerned departments in Beijing Municipality to concern themselves with the workers' health and stop issuing overtime in this arbitrary manner. (By some workers of the Dongfeng clothing factory in Changping County, Beijing Municipality)

Comrade Editor:

We are workers of the Dahua clothing factory in Shijiazhuang Municipality. Year in and year out, everyday we worked overtime for 12 to 16 hours. The



workers go to work at 8 in the morning, take half an hour's lunch. At night, there is no specific dinner time. Whoever feels hungry will snack on some solid food. We work straight till 10 or even 12 at night, and work several days in this manner consecutively. Even if we get off work at 12 midnight, we have to be at work the same time the following morning. The factory also stipulates that: Even if we cannot hold out we cannot take leave, or we will be considered as staying away from work without leave and will be sanctioned economically. If it is a short time or a blitz type of overtime, we workers can understand and sympathize with the situation and difficulties of the factory. But, to work overtime year in and year out to fulfill the production tasks is something we do not understand and we object to that. Man's physical strength and energy are limited. We cannot take it anymore.

Many of us work two shifts. Our lives are disorderly and our children are not taken care of. The parents of the young female workers have to wait outside the factory at midnight to take their daughters home. After they get home, they have to prepare supper (the factory does not have a canteen). This makes life chaotic for the whole family. We workers have to right to labor and the right to rest. An 8-hour work day is stipulated by the state. But the Dahua factory disregards the state's regulation and the health of the workers in a singleminded pursuit of increasing output value and profit. This is not a long term plan. We hope the concerned leadership will look into this matter. (By some workers of the Dahua clothing factory in Shihiazhuang Municipality, Hebei).

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CSO: 4006/476

## LABOR AND WAGES

### BRIEFS

JILIN WORKERS' INCOME--In the first quarter of 1983, the income of urban workers' households increased. In the first quarter of 1983, the per capita income of urban workers was 44 yuan, an 8.3-percent increase over the same 1982 period. [Changchun Jilin Provincial Service in Mandarin 1030 GMT 28 May 83 SK]

CSO: 4006/569

## TRANSPORTATION

### RAILWAYS AID IN KEY CONSTRUCTION PROJECTS

OW311006 Beijing XINHUA in English 0743 GMT 31 May 83

[Text] Beijing, May 31 (XINHUA)--China's railway authorities are making special arrangements to ensure supplies of materials needed in the country's 70 top-priority capital construction projects.

The top up were chosen for their importance to China's economic construction from a total of 600 projects now underway. [sentence as printed]

A spokesman for the Ministry of Railways cited the Xiangfan Railway Sub-administration in Hubei Province, which dispatched special trains earlier this year to transport 200,000 tons of cement for the mammoth Gezhouba hydroelectric engineering project.

A senior member of the Lanzhou Railway Administration is now working at the site of the Longyang Gorge hydroelectric power station on the upper reaches of the Yellow River, where building of the main dam for the station's reservoir is now in full swing.

In the capacity of a leading member of the station, the ministry spokesman said, he helps arrange transport.

The Qiqihar Railway Administration in northeast China dispatches two special trains every three days to transport cobblestone for construction of a plant at the Daqing oilfield. The plant is designed to produce an annual average of 300,000 tons of ethylen.

By May 20, more than 6,000 railway car loads of cobblestone had been transported to Daqing.

CSO: 4020/84

## TRANSPORTATION

### BRIEFS

MARINE SALVAGE SOCIETY--Nanjing, 28 May (XINHUA)--A national academic society specialising in Marine salvage--the first in China--was inaugurated in Wuxi, Jiangsu Province, this morning. The new society, operating under the China Marine Navigation Society, will help promote development and use of submarine techniques and equipment and research in caisson diseases. It will be based in Shanghai. The 26 council members of the society are scientists and experts from the Ministry of Communications, the Ministry of Geology and Minerals, the Ministry of Petroleum Industry, and the Marine salvage bureaus of Shanghai, Yantai and Guangzhou. [Text] [Beijing XINHUA in English 1207 GMT 28 May 83 OW]

ZHANJIANG PORT CONSTRUCTION--According to statistics of relevant departments, 1.97 million yuan were conserved in the construction of Zhangjiang Port, a state key project, from January to May this year. The progress and quality of the project are also satisfactory, with 57 percent of the yearly plan fulfilled. Zhanjiang Port is a relatively modernized port in south China. The construction of the port has been listed as one of the 70 key construction projects of this year, and the state has invested a total of 39 million yuan in the project this year. Taking into account that our country is still very poor, people taking part in the construction of the project have stated their determination to practice thrift in every link so as to alleviate the state's financial burden. [Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 30 May 83 HK]

GUANGZHOU-SHENZHEN HIGHWAY BRIDGE--(Zhongchang) bridge on the Guangzhou-Shenzhen highway was completed ahead of schedule. A ceremony was held this morning to mark its completion. The bridge is located in (Zhongchang) Commune, Dongguang County, 44 kilometers from Guangzhou. The bridge is 246 meters long and 12 meters wide. Since its completion, there is now only one ferry point--the (Xintang) ferry point on the Guangzhou-Shenzhen highway. A bridge is being built near the (Xintang) ferry point. It is estimated that this bridge will be completed in the middle of next year. Liu Junjie, vice provincial governor, attended the ceremony and cut the ribbon to mark the completion. [Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 15 May 83 HK]

LIAONING RAILWAY CONTAINER YARD--Shenyang, 1 Jun (XINHUA)--An 18,000-square-meter railway container yard--China's biggest--was put into operation in Shenyang, capital of Liaoning Province, today. The yard has 529 281-meter long railway lines for the loading and unloading operations of 40 railway cars, local railway authorities said. It can accommodate 480 five-ton containers at a time. Construction of the yard began in 1979. [Text]  
[Beijing XINHUA in English 1423 GMT 1 Jun 83 OW]

CSO: 4020/84

GENERAL

ZHOU GUANGCHUN ADDRESSES MEETING ON INDUSTRY

HK280628 Nanning Guangxi Regional Service in Mandarin 1130 GMT 25 May 83

[Summary] The regional conference on industrial and communications work, which has lasted for 8 days, closed this morning. Comrade Zhou Guangchun, deputy secretary of the regional CPC committee and head of the leading group in charge of economic work, delivered a concluding speech at this morning's session. Present at the concluding session were Wang Zhuguang, Zhang Shengzhen, (Wang Weizhen), (We Keqing), and others.

In his concluding speech, Comrade Zhou Guangchun talked first of all of the guiding ideology for economic work. He stated that according to the guideline for economic work laid down by the work meeting of the central authorities held in December 1980 and the requirement of feeding the people first and then promoting construction put forth by Comrade Chen Yun, the autonomous region would continue to implement the principle of readjustment, restructuring, consolidation, and upgrading and to readjust the proportion between different aspects of the national economy during the period from 1981 to 1985. The focal point of economic work, he said, must shift to the improvement of economic results as a step toward realizing the fundamental turn for the better in the financial and economic situation. "In the 1980's, the region will devote its major effort to a number of large-scale key projects concerning energy, communications, and the raw material industry so as to lay a sound foundation for the take-off of the economy in the 1990's." The balance between unified leadership and decentralized management of financial affairs, between consumption and construction, between flexible measures and unified planning in the economic field, and between the interests of the individuals, the enterprise, and the state must be maintained. Taking the overall situation into consideration, the region must accumulate funds to accommodate key projects.

In the second part of his speech, Comrade Zhou Guangchun elaborated on the relations between industry and commerce. In stressing the interdependency of industry and commerce and citing some successful examples, he pointed out that the system of joint management of industry and commerce which was now emerging throughout the region was a good method for handling the relations between industry and commerce.

In the third part of his speech, Comrade Zhou Guangchun talked about the improvement of economic results and increasing production and revenue. He urged industrial and communications enterprises to increase production and income by improving economic results. In order to improve economic results, he said, these enterprises must, first analyze the operation of the economic mechanism, try to lower consumption, improve product quality, and raise labor productivity. Second, they must attach importance to the improvement of technology. Third, they must actively develop new products and promote precision processing and comprehensive utilization of resources.

In the fourth part of his speech, Comrade Zhou Guangchun talked about the system of substituting tax for the handing over of profits, the salary and bonus system, and the labor contract system. He announced that the system of substituting tax for the handing over of profits would be enforced as of 1 June.

"Comrade Zhou Guangchun finally asserted that this regional conference on the industrial and communications work was very successful. Our tasks for the next 7 months are really arduous, he said. While stepping up the clearing of the aftermaths of the cultural revolution, we have to engage in the structural reform. To be sure, we will be very busy. However, we can never overlook the economic work. With the present situation in mind, promoting industrial production is also an important task. We must make joint efforts to fulfill this year's plan and strive for better economic results."

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GENERAL

LEI YU OUTLINES HAINAN DEVELOPMENT PLANS

HK310524 Beijing ZHONGGUO XINWEN SHE in Chinese 1341 GMT 19 May 83

[By reporter Fu Guocun [4569 0948 1317]: "Lei Yu Talks on General Construction Plan for Hainan Island"--ZHONGGUO XINWEN SHE headline]

[Text] Guangzhou, 19 May (ZHONGGUO XINWEN SHE)--Lei Yu, director of Hainan Regional Administrative Commissioner's Office, conveyed the CPC Central Committee message and stressed that the development of Hainan Island must proceed from the actual conditions and bring the "treasure" factor of the treasure island into play. This is the base on which we should draw up our plans.

He made the above remark on 17 May at a meeting with the county CPC committee secretaries and county magistrates of Hainan Prefecture. The meeting was focused on the general construction plan for Hainan Island.

He said: The gross production value of Hainan in 1987 will double the value of 1980. The construction before 1985 will emphasize basic industrial facilities, such as transportation, energy resources, communication, and construction materials, and those production projects which can bring the superiority of the island into play. We must rely on the natural resources of the island, suit measures to local conditions, integrate both the strong and weak points, let the weak points support the strong points, act according to our ability, and stress the key projects. We must grasp well the port extension projects of Haikou, Basuo, and Glingan and the deepwater port construction project of Yangpu as well as the connection of Xihuan Railway (Basuo--Lingtou section). With this year, these projects will be started either the construction work or the early stage of preparation work. There will be major development in industries such as cultivation, livestock farming, animal rearing, aquatic products, textile, and tourist industries on the island within the next 3 to 5 years. When we arrange the construction projects, we must not build factories which may cause serious pollution, so that we will maintain the fresh air and water quality of the island.



Lei Yu said: The island will be constructed into six well-coordinated minor economic zones with each zone bearing its own characteristics and different level of development standard:

--to develop Haikou city as the political, economic, and cultural center of the island. The focus of development will be on textile, electronic, rubber and food processing, and tourist industries.

--to develop Sanya region mainly around tourism. The region will become a winter tourist and vacational center. In addition, cultivation, aquatic products, handicraft, processing and service industries will also be developed.

--to develop Yangpu Harbor as the largest deepwater port of the island. It will be developed into the marine center of the island, and also an international one. Industrial and mining industries such as the opencut coal mining in Changpo, the power plant in Kengkou, oil refining and mine processing, sugar refining, and construction materials will be established around the region.

--to develop Basuo as the economic center of the western part of the island. The main industries in the region will be mining, cultivation, livestock farming, and construction material.

--to attract large amount of overseas Chinese capital and foreign capital for setting up factories in Qinglan Harbor, Wenchang County, the home of Chinese residing abroad.

--to develop Tongshi as the economic and cultural center for minorities. The industrial development will be emphasized on tourism, and tropical crops processing industries.

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GENERAL

LIANG LINGGUANG DISCUSSES HAINAN DEVELOPMENT

HK010930 Beijing ZHONGGUO XINWEN SHE in Chinese 0821 GMT 28 May 83

[By reporter Fu Guocun [4569 0948 1317]: "Liang Lingguang Speaks on Speeding Up the Development of Hainan Island"--ZHONGGUO XINWEN SHE headline]

[Text] Haikou, 28 May (ZHONGGUO XINWEN SHE)--At a press interview at Haikou City on 26 May, Liang Lingguang, Guangdong governor, stressed strengthening the leadership over and supporting the development of Hainan Island by the Guangdong Provincial Government.

Liang Lingguang said: The CPC Central Committee resolved that the development of Hainan Island is significant in the four modernizations construction of the motherland, in national defense, and in the reunification of the motherland. The Guangdong Provincial Government has drawn up plans for Hainan development in accordance with the stipulations of the CPC Central Committee on principles and policies of Hainan development. Many departments have already gone into action at present. For example, the Guangdong Provincial Government allocated more than 20 million yuan to Hainan in addition to the annual financial allocations. The Guangdong Provincial Government will also gradually increase the financial subsidies by 10 percent to Hainan year by year.

Liang Lingguang brought up the following specific problems on Hainan development:

--Transportation problems. Since Hainan is an island, harbour construction is very important. At present, the port extension projects of Haikou, Basuo, and Qinglan have already started and the construction of Sanya Harbour is underway. In order to relax the present tense situation in sea transportation, the provincial government will take some temporary measures, for example, to distribute the cargo rationally to other ports on the island to reduce the pressure on Haikou Harbour and on land transport, to open up regular passenger and cargo ship sailing between Guangzhou and Sanya, to strive to open up a shipping service between Haikou, Sanya and Hong Kong as soon as possible, to start the Xihuan railway extension project to Centou within this year, and to strive to extend the Xinhuan Railway to Haikou in the Seventh Five-Year Plan. On air service, the provincial government will talk

with CAAC and departments concerned about trying to open a direct flight service between Guangzhou, Haikou, and Sanya as soon as possible. The provincial government is presently further studying the feasibility of opening a direct flight service between Hong Kong and Haikou. On telecommunication, the provincial government will speed up the improvement of city telephone service in Haikou, Sanya, and Basuo. The construction of microwave communication lines between Guangzhou and Haikou will be completed by next year, and the construction of a microwave communication line between Haikou and Sanya is now under preparation.

--Energy problems. At present, the provincial government is sparing no effort to grasp firmly the construction of Changlin coal mines, to strive to construct opencut coal mines of annual production between half and a million tons within 3 years, and to construct the 50,000 kilowatt Kengkou power plant. The provincial government will continue to construct a number of medium and small-sized hydropower plants, to speed up the construction of the 110,000 volts transmission and transformation lines from Wanning and Lingshui to Sanya, and to strive to relax the tense situation of electricity supply.

--Agricultural problems. The provincial government will vigorously develop tropical crop cultivation, with stress on rubber, while it will assure the steady growth of food. The provincial government will draw up plans for scientific agricultural development, especially on undeveloped land. For example, the provincial government must make good plans for developing lands of 5.5 million mu in area and grazing lands of 2.3 million mu in area which are able to grow tropical crops. At present, the provincial government must take measures to improve the crop output per unit area. The Songtao reservoir presently irrigates a million mu of cultivated land, which is only one-third of the capacity for which it was originally designed. Thus, the provincial government will soon raise fund and supplies to construct the conveyance system and, hence, to increase the irrigation area.

--Forest problems. The provincial government will take effective measures to protect the existing forest resources, and will vigorously plant shelter-forests, waterhead forests, commercial forests, and fuel forests. The felling of trees at Jianfengcen, Diaolushan, and Bawangcen must be stopped and the stress will be changed to afforestation. The financial cost will be subsidized by the provincial government.

--Industrial problems. The island has to rely on its natural resources and develop industries such as rubber processing, food, sugar refining, forest products processing, construction material and mining industries. Within this year, the provincial government will assist the construction and extension projects of 14 sugar refineries, strengthen the existing enterprise readjustment and technical improvement, improve the product quality and economic results, and invite investors from foreign countries, overseas Chinese, and Hong Kong people to invest and set up factories.

--Aquatic problems. Hainan is rich in aquatic products and thus we must vigorously develop the sea fishing industry. The CPC Central Committee and the provincial government are trying to invest in and buy equipment for the aquatic products companies in Nanhia as they own better basic facilities. The 380,000 mu of mud-banks and the 970,000 mu of fresh water surface area will be brought into full play for cultivation.

--Tourism. Hainan is an ideal place to develop tourism. It is especially suited to gradual development into an international vacation, winter swimming and tourist centre. It is planned to construct tourist facilities in Haikou and Sanya. The construction work at some tourist spots such as Xinglong Hot Springs, Lingshui Monkey Island, and Songtao Reservoir must be speeded up.

--Training qualified personnel vigorously. The provincial government is studying favourable policies and new measures to attract qualified personnel other than the islanders to join the construction team, and to bring the intellectuals and technicians on the island into full play. We must not only train qualified technicians, but also economic administrative qualified personnel, and bring the scientific research institutes and production units, such as tropical crops institutes, tropical crops research institutes, farms and iron ores, into full play. We must open up new channels to train every kind of qualified personnel for the development and construction of the island.

Liang Lingguang finally said: The construction projects in recent 3 to 4 years are mainly for laying the foundation of "advances" of the island. In addition, these projects are carried out in order to create good conditions for fully utilizing the foreign capital and for promoting development of the island through open door policy. We may expect that the Hainan Island will become more beautiful and richly endowed in the near future.

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GENERAL

JIANGXI INDUSTRY, TRANSPORT WORK CONFERENCE ENDS

OW300157 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 28 May 83

[Excerpts] The provincial industrial and transport work conference which closed on 26 May has called on staff members and workers of industrial enterprises and transport services throughout the province to raise their spirits; bolster confidence; hasten the pace of reform, readjustment and consolidation; and fulfill the state plan in its entirety while striving for better economic results in order to simultaneously achieve high speed and good results in their work.

Attending the meeting were responsible comrades of the provincial party and government organs Zhao Zengyi, Ni Xiance, Qian Jiaming, Liang Kaixuan and Liu Bin. Comrade Zhao Zengyi spoke at the meeting. Comrade Qian Jiaming delivered a summary report.

The meeting agreed that in 1982 and the preceding months of this year achievements were made in the province's industrial production and transport services and the overall situation was good. However, our province is still short of energy and transport facilities and the enterprises are registering rather poor economic results, lagging far behind neighboring provinces and municipalities. We should be aware of the difficulties as well as the favorable conditions, display an enterprising spirit and advance despite hardships. We should strive for an overall economic growth rate which is not lower than last year's and make a fresh breakthrough in economic results.

The meeting pointed out: The enterprises in the nonindustrial sector in our province, whose output value last year accounted for one-fourth of the total annual industrial output value, are an important factor to be reckoned with. It is necessary to assign an important role to these enterprises, including the commune- and brigade-run enterprises as well as the collective-run enterprises in urban and rural areas. The planning and economic commissions should show concern for the production of these enterprises as they do for the production of enterprises in the industrial sector.

The meeting emphasized that it is necessary to hasten the pace of industrial reform, readjustment and consolidation. At present the important thing in the reform of the industrial management system is the implementation of the tax-for-profit system in state-run enterprises. It is necessary to fully understand the significance, purpose and requirements of this system. Leading bodies at all levels should be firm in their attitude and take effective measures accordingly.

The general guidelines for carrying out enterprise consolidation are: It should be guided by the spirit of reform, product quality should be improved as soon as possible, leading bodies should be organized in a way that best meet the needs of the four modernizations, the method of leadership should be improved and office work style should be changed to ensure the fulfillment of the state plan in its entirety.

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